



Sean Rogan
Executive Director

COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles

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ADOPTED

Community Development Commission

April 06, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

1-D APRIL 6, 2010

SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**MASTER LEASE AND PROPERTY MANAGEMENT AGREEMENT WITH NEW ECONOMICS FOR
WOMEN FOR GUADALUPE TERRACE, AN AFFORDABLE HOUSING DEVELOPMENT IN
UNINCORPORATED EAST LOS ANGELES
(DISTRICT 1) (3 VOTES)**

SUBJECT

This letter recommends approval of Master Lease and Property Management Agreement with New Economics for Women, and approval to negotiate a Disposition and Development Agreement for Guadalupe Terrace, a 31-unit multifamily rental housing development located at 895 Bonnie Beach Place in unincorporated East Los Angeles. Guadalupe Terrace is owned by the Community Development Commission.

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY OF THE
COMMUNITY DEVELOPMENT COMMISSION**

1. Approve and authorize the Executive Director to execute and if necessary amend or terminate a two-year Master Lease and Property Management Agreement with New Economics for Women, to continue management of Guadalupe Terrace, a 31-unit multifamily rental housing development in unincorporated East Los Angeles, following approval as to form by County Counsel.
2. Authorize the Executive Director to negotiate the terms of a Disposition and Development Agreement with New Economics for Women for the purchase, rehabilitation, and operation of Guadalupe Terrace.
3. Find that approval of the Master Lease and Property Management Agreement for Guadalupe Terrace is not subject to the provisions of the California Environmental Quality Act (CEQA) because

the action is not defined as a project under CEQA.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to approve a new two-year Master Lease Agreement and a Property Management Agreement with New Economics for Women.

FISCAL IMPACT/FINANCING

No funding is requested at this time.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On March 30, 1992, the Commission acquired the subject property with \$690,000 in Community Development Block Grant funds allocated to the First Supervisorial District. On April 18, 1996, the Housing Authority entered into a development agreement with the Commission to develop 31 units of affordable housing on the property.

Since that time, New Economics for Women (NEW) has managed and maintained the property as a residential rental property for single parents transitioning to independent living. All units are rented and occupied by families with household incomes not exceeding 50% of the area median income for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for family size, as defined by the U.S. Department of Housing and Urban Development.

NEW has indicated its intention to purchase Guadalupe Terrace from the Commission and to continue to maintain the property with the same affordability requirements that have been applicable to the property since 1996. To date, NEW has been unable to secure the necessary financing to purchase the site. The proposed two-year Master Lease Agreement will give NEW additional time during which to secure financing, while continuing to operate Guadalupe Terrace as an affordable rental property.

If NEW is able to secure the necessary financing, the recommended action will authorize the Executive Director to negotiate a Disposition and Development Agreement to permit the transfer of Guadalupe Terrace to NEW and ensure that the property's affordability is maintained. Upon completion of negotiations, we would return to your Board to request authorization for the sale. If NEW is unable to secure financing, it will continue to manage and maintain the property with the same affordability requirements.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34(a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. The action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The requested actions will preserve much needed affordable housing for low-income families in the County.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line extending to the right.

SEAN ROGAN
Executive Director

SR:cr

Enclosures

MASTER LEASE

DATED: _____, 20_____

by and between

**COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES,**

as Landlord,

and

**NEW ECONOMICS FOR WOMEN,
a California Non-Profit Public Benefit Corporation,**

as Tenant

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MASTER LEASE

This Master Lease ("Lease") is made and entered into this ___ day of _____, 20___ (the "Lease Date") by and between the COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES, a public body, corporate and politic ("Landlord" or "Commission"), and NEW ECONOMICS FOR WOMEN, a California non-profit public benefit corporation ("Tenant"). Landlord and Tenant shall sometimes hereinafter be individually referred to as "Party" and collectively referred to as "Parties".

RECITALS

WHEREAS, Landlord is the owner of certain real property, that includes an affordable multifamily housing development ("Development"), located at 895 North Bonnie Beach Place, in unincorporated Los Angeles County, State of California, more fully described on Exhibit A, which is attached hereto and incorporated herein by this reference (the "Property");

WHEREAS, the Development also includes a certain portion of the Property that is being, and has been, used as a child care center ("Child Care Center", which is included within the definition of Property);

WHEREAS, Tenant currently operates the Property and Child Care Center on behalf of Landlord without a formal written agreement;

WHEREAS, Landlord acknowledges, and Tenant agrees, that Tenant will apply for the necessary financing, including tax credits, to purchase the Property within the Term (defined below) of this Lease; and

WHEREAS, Tenant desires to lease the Property from Landlord, and Landlord desires to lease the Property to Tenant in accordance with the terms and conditions of this Lease as set forth herein below.

NOW THEREFORE, the Parties agree as follows:

TERMS & CONDITIONS

1. DEFINITIONS

1.1 General Definitions

As used in this Lease, the following words and phrases shall have the following meanings:

(a) Alterations – any change to or modifications to the improvements on the Property made by Tenant pursuant to Section 10.1 below.

(b) Authorized Representative – any officer, manager, employee, or agent of either Party, acting within authority given by that Party.

(c) Damage – injury, deterioration, or loss to a Person, to the Property, or to any property (including property of third parties) caused by an act of God or another Person’s acts or omissions. Damage includes, without limitation, death of a natural person. Damage does not include normal wear and tear.

(d) Destruction – any substantial Damage to the Property or the Improvements.

(e) Encumbrance – any deed of trust, lien, mortgage, or other written security device or agreement encumbering either the leasehold or the fee interest in the Property or Improvements that constitutes security for the payment of a debt or performance of an obligation.

(f) Expiration – the coming to an end of the time and/or term specified in this Lease as its duration.

(g) Improvements – any structures or other permanent improvements constructed on the Property in accordance with plans and specifications approved by Landlord, subject to any requirements of all regulatory agencies.

(h) Law – any judicial decision, statute, constitution, code, ordinance, resolution, regulation, rule, administrative order, or other requirement of any municipal, county, state, federal, or other government agency or authority having jurisdiction over the Parties or the Property, or both, including, without limitation, any licensing requirements and any requirements under the Americans with Disabilities Act, in effect either at the time of execution of this Lease or at any time during the Term, including, without limitation, any regulation or order of a quasi-official entity or body.

(i) Person – one or more human beings, or legal entities or other artificial persons of any kind, including, without limitation, persons, sole proprietorships, partnerships, limited liability companies, corporations, trusts, estates, joint ventures, associations, and any combination of human beings and legal entities.

(j) Project Lenders- Housing Authority of the County of Los Angeles and/or the Community Development Commission of the County of Los Angeles.

(k) Provision – any term, agreement, covenant, condition, promise, clause, qualification, restriction, reservation, or other stipulation in this Lease that in any way defines or otherwise controls, establishes, or limits the performance required or permitted by either Party.

(l) Successor – assignee, transferee, personal representative, heir, or other Person succeeding lawfully, and pursuant to the Provisions of this Lease, to the rights or obligations of either Party.

(m) Termination – the ending of the Term for any reason before Expiration.

1.2 Other Definitions

The following additional terms are defined in the following sections of this Lease:

(a) Term 4

(b)	Rent	5.1
(c)	Other Expenses	5.2
(d)	Award	14.1(a)
(e)	Condemnation	14.1(b)
(f)	Condemnor	14.1(c)
(g)	Date of Taking	14.1(d)
(h)	Defaults	16.2

2. INTENTIONALLY DELETED

3. PROPERTY

3.1 Lease of Property

For and in consideration of the payment of Rent and the performance of all the terms, covenants and conditions of this Lease by Tenant, Landlord hereby leases the Property to Tenant.

3.2 Tenant's Acceptance

Tenant currently maintains and operates the Property and is fully informed regarding the condition of the Property. Tenant accepts the Property in its "as is" condition with all defects as of the initial date of the delivery of the Property to Tenant.

3.3 Conveyance of Improvements

Upon Expiration of the Term of this Lease, any Improvements shall be subject to the provisions of Section 7 below.

3.4 Management of Property by Tenant

Concurrently with, or prior to, the execution of this Lease, the Parties hereto will enter into a property management agreement incorporated herewith as Exhibit H ("Property Management Agreement"). The Property Management Agreement shall be read in conjunction with this Lease where conditions of the Lease or Property Management Agreement so require.

3.5 Encumbrance of Leasehold Interest by Tenant

Tenant shall not encumber its interest in the Lease, Property, Development, Child Care Center, or Improvements with any third party lien or security interest without the prior written approval of Landlord, which approval shall be subject to Landlord's sole and absolute discretion. In the event that Tenant does encumber its interest, then Tenant shall be deemed to be in default under this Lease, and Landlord, upon thirty (30) days written notice, may elect to terminate this Lease and/or the Property Management Agreement.

4. LEASE TERM

The term of this Lease shall commence on the Lease Date and extend for a period of two (2) years ("Term"). The Term may be extended by mutual written agreement of the Landlord and the Tenant.

5. RENT

5.1 Payment of Rent

Commencing on March 15, 2010 (the "Rent Commencement Date") and on a annual basis each March 15 thereafter, Tenant shall pay to Landlord the sum of one hundred percent (100%) of all Surplus Cashflow (defined below) generated by the Property during the preceding year but not less than One Dollar (\$1.00) per year, without deduction, setoff, prior notice or demand, at such place as Landlord may from time to time designate (hereinafter referred to as "Rent"). Surplus Cashflow shall be identified in annual audited financial statements prepared by a firm approved in writing by Landlord. For purposes of this Lease, Surplus Cashflow shall mean, with respect to each calendar year, the amount by which Gross Rents, as defined herein, for such calendar year exceed the Operating Expenses, as defined herein, for that calendar year.

(a) With the exception of the "**Excluded Items**" (as defined below), "**Gross Rents**" shall mean, with respect to each calendar year or portion thereof, all gross income, rentals, revenues, payments and consideration, of whatever form or nature, whether direct or indirect, received by or paid to or for the account or benefit of Tenant or any "Affiliate" (as defined below) of Tenant or any of their agents or employees, from any and all sources, resulting from or attributable to the ownership, operation, leasing and occupancy of the Property, or any portion thereof, determined on the basis of generally accepted accounting principles applied on a consistent basis, and shall include, but not be limited to:

(i) gross rentals paid by tenants of the Property under occupancy leases and payments and subsidies of whatever nature, including without limitation any payments, vouchers or subsidies from the United States Department of Housing and Urban Development ("HUD") or any other person or organization, received on behalf of tenants under occupancy leases;

(ii) amounts paid to Tenant or any Affiliate of Tenant on account of "Operating Expenses" (as defined herein) for further disbursement by Tenant or such Affiliate to a third party or parties;

(iii) late charges and interest paid on rentals;

(iv) rents and receipts from licenses, concessions, vending machines, coin laundry and similar sources;

(v) Child Care Center and other fees, charges or payments not denominated as rental but payable to Tenant in connection with the rental of office, retail, storage, or other space in the Property;

(vi) Child Care Center Fees as defined in the Property Management Agreement; and

(vii) consideration received in whole or in part for the cancellation, modification, extension or renewal of occupancy leases.

(b) The term "**Affiliate**" shall mean any person or entity directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with Tenant which, if Tenant is a partnership or limited liability company, shall include each of the

constituent members or partners, respectively, thereof. The term "control" as used in the immediately preceding sentence, means, with respect to a person that is a corporation, the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the shares of the controlled corporation, and, with respect to a person that is not a corporation, possession directly or indirectly of the power to direct or cause the direction of the management or policies of the controlled person. For purposes of this Agreement, Affiliate shall also include, without limitation, New Capital, LLC, a California limited liability company and Los Angeles Child Care Development Center. Notwithstanding the foregoing, Gross Rents shall not include the following items ("Excluded Items"):

(i) security deposits from tenants (except when applied by Tenant to rent or other amounts owing by tenants);

(ii) capital contributions to Tenant or its members, partners or shareholders by its or their members, partners or shareholders;

(iii) condemnation or insurance proceeds;

(iv) funds received from any source actually and directly used for acquisition and/or initial development of the Property; and

(v) interest earned on all required Project Reserve Accounts.

(c) "**Operating Expenses**" shall mean, with respect to each calendar year or portion thereof, the sum of the following expenses to the extent actually paid by Tenant during such period:

(i) nonelective payments made with respect to the existing Financing;

(ii) all taxes and assessments imposed upon the Property, or any portion thereof, and required to be paid by Tenant but only to the extent such taxes and assessments are paid or set aside as a reserve by Tenant during such calendar year;

(iii) all amounts paid or set aside as a reserve by Tenant on account of insurance premiums for insurance carried in connection with the Property, provided that if insurance on the Property is maintained as part of a blanket policy covering the Property and other properties, the insurance premium included in this definition shall be the portion of the premium fairly allocable to the Property for the period;

(iv) ownership and operating costs incurred by Tenant for the management, operation, cleaning, leasing, marketing, maintenance and repair of the Property (including without limitation, property management fees and administrative fees) properly chargeable against income according to generally accepted accounting principles, including without limitation wages, payroll and accounting costs, utility and heating charges, material costs, maintenance costs, costs of services, water and sewer charges, travel expenses allocable to the Property, or any portion thereof, supportive service coordinator salary as noted in Exhibit "F" of the Master Lease (noted as "service coordination"), plus annual escalations in amounts reasonably approved by Commission, and license fees and business taxes; provided, however, that (A) the amount included as property management fees in Operating Expenses shall collectively not exceed \$55 per unit per month from the Property for such period, all or a

portion of each of which may be paid to Tenant and/or an Affiliate of Tenant, (B) such property management fee shall only be paid on the basis of supporting documentation reasonably acceptable to Commission, and shall be paid after the payment of all other Operating Expenses, and (C) total ownership and operating costs do not exceed industry standards as approved by Commission;

(v) deposits toward Replacement Reserves, as defined below, in an amount of no less than \$300 per unit per year;

(vi) to the extent not otherwise included in Operating Expenses, amounts paid from any account as a reserve account for the purpose for which such reserve was created so long as such purpose would constitute an Operating Expense.

(d) The term "Operating Expenses" shall not include any of the following:

(i) salaries of employees of Tenant or Tenant's general overhead expenses, or expenses, costs and fees paid to an Affiliate of Tenant, to the extent any of the foregoing exceed the expenses, costs or fees that would be payable in a bona fide arms' length transaction between unrelated parties in the Los Angeles-Orange County area for the same work or services;

(ii) any amounts paid directly by a tenant of the Project to a third party in connection with expenses which, if incurred by Tenant, would be Operating Expenses;

(iii) any payments with respect to existing Financing, or any other Project-related loan or financing; or

(iv) expenses or expenditures, incurred by Tenant in connection with the acquisition of the Property, all predevelopment activities conducted by Tenant in connection with the Property, including without limitation, the preparation of all plans and the performance of any tests, studies, investigations or other work, and the construction of the Property and any on-site or off-site work in connection therewith.

(d) Project Reserve Accounts.

(i) "Eligible Reserves" shall mean, with respect to each calendar year or portion thereof, Operating Reserves and Replacement Reserves, which meet the requirement set forth below:

(A) The Reserves are segregated in a special account for Operating Reserves ("Operating Reserve Account") and/or Replacement Reserves ("Replacement Reserve Account), as the case may be (either sometimes referred to as a "Reserve Account"), established with a financial institution or other duly licensed escrow agent mutually acceptable to the Parties ("Escrow Agent").

(ii) "Operating Reserves" shall mean:

(A) Loan advances, including accumulated interest paid on the balance in the Operating Reserve Account (as hereinafter defined), subject to the Operating Reserve Cap (as hereinafter defined), and

(B) actually set aside for:

- (1) taxes and assessments;
- (2) insurance premiums;
- (3) operation of the Project as may, for reasons other than those described in this Agreement, be required in connection with existing; and
- (4) any other purpose which itself constitutes an Operating Expense.

(iii) "Replacement Reserve" shall mean funds reserved, including accumulated interest paid on the balance in the Replacement Reserve Account (as hereinafter defined), and actually set aside for replacement of roofing, furniture, fixtures, equipment, and other capital expenditures, which reserves shall be in an annual amount equal to the greater of: (a) \$300 per unit (b) such higher amount per unit as may be required by a tax credit investor or holder of existing Financing or (c) as established from time to time by mutual agreement of the Parties.

(A) Release of Eligible Reserves. Eligible Reserves shall not be released to Borrower out of the Reserve Account unless and until:

- (i) the Borrower has submitted to Landlord:
- (ii) a written disbursement request ("Disbursement Request") seeking the release of funds out of the Reserve Account for the particular expenditure(s) and with respect to the Reserve Period designated in the applicable Reserve Request previously approved by Landlord;
- (iii) supporting documentation establishing, in Commission's sole determination, that but for the release of the funds requested in the Disbursement Request, sufficient funds would not otherwise be available to the Borrower for the designated expenditure(s); and
- (iv) Landlord has, in its sole and absolute discretion, approved in writing the Disbursement Request.

(B) Investment of Reserve Account. Funds in any Reserve Account shall be deposited in a banking institution whose deposits are insured by an

agency of the federal government. Borrower may invest funds in a Reserve Account in domestic bank certificates which are insured by an agency of the federal government; in direct obligations of the federal government; in federal government agencies with an AA rating or better; federally guaranteed agencies, or in repurchase agreements which are direct obligations of the federal government or federal agencies; or which are collateralized by federal government obligations; or in short-term commercial paper receiving the highest rating from Moody's or from Standard and Poors. Borrower shall select the investment vehicles and maturities (not to exceed five years) on such investments so as to yield the maximum return, consistent with good business practice, including the need for available cash in the Reserve Account.

(C) Eligible Reserves Caps. Borrower shall not, without Commission's prior written consent, establish or maintain Operating Reserves for the Project in excess of Twenty Five Thousand (\$25,000) plus accumulated interest ("Operating Reserve Cap"). The Operating Reserve Cap may be adjusted at Commission's discretion based on Property operations.

5.2 Other Expenses

In addition to the amount set forth in Section 5.1 above, and as a Property operating expense, Tenant shall pay or cause to be paid all insurance, operating and maintenance expenses in accordance with the terms of this Lease and the Property Management Agreement, including, but not limited to: all ad valorem property taxes and possessory interest taxes, assessed against or otherwise imposed on the Property, Improvements or Tenant's Personal Property utilized at the Property, if any; and any and all expenses related to the advertising, marketing, leasing, cleaning, maintenance, repairs, and general upkeep of the Property (collectively the "Other Expenses"). From and after the date hereof, Tenant shall be liable and responsible for and pay the Other Expenses on or before the date such Other Expenses are due, and in no event shall Tenant be entitled to a credit from Landlord with respect to the Other Expenses.

6. USE OF PROPERTY

6.1 Use

Throughout the Term of this Lease, the Property shall be operated by Tenant as affordable multifamily rental apartments in accordance with the HOME Program Requirements more fully described on Exhibit C, attached hereto and incorporated herein. Tenant shall also operate the Child Care Center in compliance with all Laws related to the operation of such and in compliance with the Property Management Agreement. Tenant shall not use or permit the use of the Property and Improvements in any manner which (i) creates a nuisance, or (ii) violates any Law; provided that if any future Law is enacted that requires changes to the Improvements or otherwise requires that Tenant expend an amount greater than five thousand dollars (\$5,000) to comply with such future Law, then Tenant may terminate this Lease by sixty (60) days prior written notice thereof to Landlord given in accordance with Section 17 of this Lease.

6.2 No Discrimination

Tenant herein covenants by and for itself, its officers, employees, agents, administrators and assigns that there shall be no discrimination against or segregation of any person or group of persons, on account of race, religion, creed, color, national origin, ancestry, marital status, sex or sexual orientation in the leasing, subleasing, transferring, use or enjoyment of the Property and Improvements, nor shall Tenant itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the

selection, location, number, use or occupancy of tenants, lessees, subleases, subtenants, or vendees for the Improvements which differs from existing Law.

6.3 Quality Assurance Plan

Landlord and/or its agent may evaluate Tenant's performance under this Lease and/or the Property Management Agreement as often as it desires. Such evaluation will include assessing Tenant's compliance with this Lease and the Property Management Agreement. Tenant deficiencies, which Landlord determines are severe or continuing and that may place performance of this Lease, Property Management Agreement, and/or the Property in jeopardy, if not corrected, will be reported to the Tenant's Board of Directors. The report will include improvement/corrective action measures taken by Landlord and Tenant. If improvement does not occur consistent with the corrective measure, Landlord may terminate this Lease, pursuant to Section 16 of this Lease, or impose other remedies as specified in this Lease.

7. IMPROVEMENT

7.1 Requirement of Landlord's Written Approval.

No improvement shall be constructed on the Property unless and until the proposed Improvement has been approved in writing by Landlord.

7.2 Landlord's Approval or Rejection of Proposed Improvements.

Within 30 days after delivery to Landlord of any of the documents submitted by Tenant for approval under Section 7.1 of this Lease, Landlord shall either approve the proposed Improvements by endorsing Landlord's approval on each such document and returning one set of the documents to Tenant, or Landlord shall give written notice to Tenant of any objections Landlord may have to those documents. Within 30 days after service on Tenant of the written notice of Landlord's objections, Tenant may deliver corrective amendments to the documents to Landlord and Landlord shall, within 15 days after receiving the corrective amendments, serve written notice on Tenant of Landlord's approval or rejection of the documents as so amended.

7.3 Landlord's Withholding of Approval.

Landlord shall not unreasonably withhold approval of the proposed Improvements.

8. MAINTENANCE AND REPAIRS

8.1 General Maintenance and Repairs

In addition to the duties and responsibilities of Tenant as set forth more fully in the attached Property Management Agreement, Tenant, at its sole cost and expense, shall maintain the Property, landscaping, Improvements, equipment, and all other components of the Property in good repair and order and in decent, safe, and sanitary condition at all times in order to ensure the preservation of their condition. To this end, Tenant shall perform any and all repairs or replacements of the aforementioned as may be necessary.

8.2 Apartment Maintenance, Upkeep, and Repairs

In addition to the duties and responsibilities of Tenant as set forth more fully in the attached Property Management Agreement, Tenant, at its sole cost and expense, shall maintain the Property, including, without limitation, the individual apartment units, in good repair and order, and in decent, safe, sanitary, and habitable condition at all times in order to ensure the preservation and habitability of their condition. In the event that Tenant fails to maintain the Property or an individual apartment unit in a decent, safe, sanitary, and habitable condition,

such may be deemed, at Landlord's sole discretion, a substantial breach of this Lease. Without limiting any other remedies, Landlord may then, upon ten (10) days written notice to Tenant, enter the Property to cure the substantial breach with all costs and expenses of the cure being borne solely by Tenant, or Landlord may elect to terminate this Lease upon thirty (30) days written notice to Tenant.

9. UTILITIES AND SERVICES

Tenant is responsible for and shall pay for all utilities and services, including, without limitation, all water, sewage, gas, electricity, telephone, maintenance, janitorial, trash collection, and all other utilities and services supplied to the Property. Landlord shall have no obligation for the furnishing, maintenance or repair of, or payment for, such utilities and services.

10. ALTERATIONS

10.1 Alterations

Tenant shall have the right, throughout the Term of this Lease, at any time and from time to time, to make, without the review or approval of Landlord, any Alterations costing less than five thousand dollars (\$5,000.00). Any Alterations in excess of this amount shall require the prior written approval of the Landlord. All Alterations shall be made pursuant to the terms of this Section 10. Tenant is responsible for obtaining any and all required permits, licenses and approvals for said Alterations to Property.

10.2 Conditions to Alterations

Notwithstanding the Provisions of Section 10.1 above, with respect to any such Alterations, Tenant shall comply with the following requirements:

(a) If the Alterations require a building permit, on or before submission of (i) preliminary construction plans and specifications therefore and/or (ii) final working plans and specifications, to the appropriate governmental agencies for review, Tenant shall submit one set of such documents to Landlord for Landlord's review and approval.

(b) If the cost of the Alterations exceeds five thousand dollars (\$5,000), Tenant shall deliver to Landlord insurance certificates for any insurance pertaining to the construction which is required pursuant to Section 11 hereof.

(c) Once construction of the Alterations commences, Tenant shall with reasonable diligence prosecute such construction to completion.

(d) Except as otherwise set forth in this Lease by written notice to Tenant either before expiration of the Lease Term or within a reasonable time after any earlier Termination of this Lease, Landlord may require Tenant, at Tenant's sole expense, to remove any Alterations and restore the Property to their configuration and condition before the Alterations were made. If Tenant fails to complete that restoration before expiration of the Lease Term or, in the case of earlier termination, within fifteen (15) days after written notice from Landlord requesting the restoration, Landlord may do so and charge the cost of the restoration to Tenant.

11. INSURANCE

Without limiting Tenant's indemnifications of the Landlord provided in this Lease, Tenant shall procure and maintain at its own expense the insurance described in this section for the time periods set forth herein. Such insurance shall be secured from carriers admitted in California, or authorized to do business in California. Such carriers shall be in good standing with the California Secretary of State's Office and the California Department of Insurance. Such carriers must be approved by the California Department of Insurance and must be included on the California Department of Insurance List of Eligible Surplus Line Insurers (hereinafter "LESLI"). Such carriers must have a minimum rating of or equivalent to A:VIII in Best's Insurance Guide. Tenant shall, concurrent with the execution of this Lease, deliver to the Landlord certificates of insurance with original endorsements evidencing the general liability and automobile insurance coverage required by this Lease. Tenant shall deliver satisfactory evidence of issuance of All Risk property insurance described in (3) below and worker's compensation insurance described in (4) below at such time that such exposures are at risk, but in no event later than the Close of Escrow. Tenant shall deliver satisfactory evidence of issuance of Professional Liability Coverage once design professionals are hired for the Project. The certificate and endorsements shall be signed by a person authorized by the insurers to bind coverage on its behalf. The Landlord reserves the right to require complete certified copies of all policies at any time. Said insurance shall be in a form acceptable to the Landlord and may provide for such deductibles as may be acceptable to the Landlord. In the event such insurance does provide for deductibles or self-insurance, Tenant agrees that it will defend, indemnify and hold harmless the Landlord, its elected and appointed officers, officials, representatives, employees and agents in the same manner as they would have been defended, indemnified and held harmless if full coverage under any applicable policy had been in effect. Each such certificate shall stipulate that the Landlord is to be given at least thirty (30) days' written notice in advance of any modification or cancellation of any policy of insurance. Tenant shall give the Landlord immediate notice of any insurance claim or loss which may be covered by insurance. Tenant represents and warrants that Tenant's contractors, subcontractors, and design professionals, including, without limitation, New Capital, LLC and Los Angeles Child Care Development Center, shall also provide and maintain all of the insurance coverage requirements as set forth herein.

(1) General Liability: Comprehensive general liability insurance, including coverage for personal injury, death, property damage and contractual liability, with a combined single limit of at least Two Million Dollars (\$2,000,000) for each occurrence (Four Million Dollars (\$4,000,000) General Aggregate), including products and completed operations coverage. Whether written on an occurrence or claims-made basis, the policy(ies) shall be maintained from the execution of this Lease until at least four (4) years after termination of this Lease. The policy shall contain a waiver of subrogation for the benefit of the Landlord.

(2) Professional Liability: Professional liability insurance, including coverage for personal injury, death, property damage and contractual liability, with a combined single limit of at least One Million Dollars (\$1,000,000) for each occurrence (Two Million Dollars (\$2,000,000) General Aggregate). Said insurance shall be maintained for as long as the design professional maybe exposed to potential liability. The policy shall contain a waiver of subrogation for the benefit of the Landlord.

(3) Property Insurance: All Risk property insurance. Coverage shall include without limitation, builders risk insurance and insurance against the perils of fire and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake and flood, windstorm, falsework, testing and startup, temporary buildings

and debris removal including demolition occasioned by enforcement of any applicable legal requirements. The amount of the property coverage shall at all times exceed the full replacement value of materials supplied or installed by others, all existing structures, improvements and fixtures on the Property. There shall not be a "co-insurance" clause. This insurance shall be maintained for the Term of this Lease or as long as the Property Management Agreement is in place, whichever is longer.

(4) Worker's Compensation and Employer's Liability: Tenant's employees, if any, Tenant's contractors, subcontractors, and design professionals and any affiliates or agents of Tenant shall be covered by Workers' Compensation insurance in an amount and in such form as to meet all applicable requirements of the Labor Code of the State of California and Employers Liability limits of One Million Dollars (\$1,000,000) per accident. This insurance shall be maintained for the Term of this Lease or as long as the Property Management Agreement is in place, whichever is longer.

(5) Automobile Liability: Combined single limit automobile liability insurance of at least One Million Dollars (\$1,000,000) per accident for bodily injury and property damage, covering owned, nonowned and hired vehicles. This insurance shall be maintained for the Term of this Lease or as long as the Property Management Agreement is in place, whichever is longer.

The Landlord and its officers, officials, representatives, employees and agents shall be named as additional insureds on the General Liability policy and Automobile Liability policy. The Landlord and its officers, officials, representatives, employees and agents shall be named as the loss payee on the Property Insurance policy. All of the above mentioned insurance policies shall be the primary policies with respect to the Landlord. Failure on the part of Tenant, and any entities with which Tenant contracts in relation to this Lease, the Property, Development, or the Child Care Center, to procure or maintain the insurance coverage required in this Insurance Section shall constitute a material breach of this Lease pursuant to which the Landlord may immediately terminate this Lease and exercise all other rights and remedies set forth herein, at its sole and absolute discretion, and without waiving such default or limiting the rights or remedies of the Landlord, procure or renew such insurance and pay any and all premiums in connection therewith and all monies so paid by the Landlord shall be immediately repaid by the Tenant to the Landlord upon demand including interest thereon at the default rate. The Landlord shall have the right, at its sole election, to participate in and control any insurance claim adjustment or dispute with the insurance carrier. Tenant's failure to assert or delay in asserting any claim shall not diminish or impair the Landlord's rights against the Tenant or the insurance carrier.

12. INDEMNIFICATION

Tenant agrees to indemnify, defend, and hold harmless Landlord and each of its elected and appointed officers, officials, representatives, employees, and agents, from and against any and all liability, demands, damages, claims, causes of action, fees (including reasonable attorney's fees and costs and expert witness fees), and expenses, including, but not limited to, claims for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), that arise out of, pertain to, or relate to this Lease, the Development, the Property, or the Child Care Center, excepting Liabilities caused by the sole negligence or willful misconduct of Landlord. Such indemnification language, in favor of Landlord, shall also be incorporated in Tenant's contracts with any entity with which it contracts in relation to this Lease, the Development, the Property, or the Child Care Center. These indemnification provisions shall

remain in full force and effect and survive the termination and/or expiration of this Lease. Tenant agrees to require any entities with which it contracts to agree to and abide by the above mentioned indemnification requirements in favor of Landlord, as applicable to each of them.

13. DAMAGE OR DESTRUCTION

13.1 Duty to Restore

If any insured Damage or Destruction to the Property, Alterations, or Improvements renders such partially or totally unusable, this Lease shall not terminate and such shall be rebuilt by Tenant with due diligence at Tenant's sole cost and expense; provided, however that Tenant shall not be obligated to rebuild such if the insurance proceeds received by Tenant for such Damage or Destruction to such is less than one hundred percent (100%) of the cost to restore such. Notwithstanding the foregoing, this Lease may be subject to termination by Landlord as provided in Section 13.2 below.

13.2 Election to Terminate

If there shall occur any Damage or Destruction to the Property, Alterations, or Improvements at any time during the Term for which the insurance proceeds received by Tenant is less than one hundred percent (100%), exclusive of deductibles, of the cost to restore such (or if such Damage or Destruction is uninsured), then either Landlord or Tenant may terminate this Lease by written notice thereof to the other Party given in accordance with the terms of Section 17. If this Lease is not terminated, then Tenant shall rebuild such with due diligence within a reasonable time after Tenant's receipt of such insurance proceeds as approved by Landlord. If this Lease is terminated as aforesaid, (1) this Lease shall terminate effective as of the date of such Damage or Destruction, and (2) any Rent paid by Tenant for the period after such termination date shall be immediately refunded by Landlord.

14. CONDEMNATION

14.1 Definitions

(a) "Award" means all compensation, sums, or anything of value awarded, paid, or received on a total or partial Condemnation.

(b) "Condemnation" means (1) the exercise of any governmental power, whether by legal proceedings or otherwise, by a Condemnor and (2) a voluntary sale or transfer by Landlord or Tenant to any Condemnor, either under threat of Condemnation or while legal proceedings for Condemnation are pending.

(c) "Condemnor" means any public or quasi- public authority, or private corporation or individual, having the power of Condemnation.

(d) "Date of Taking" means that date which is the earlier of (i) the date Condemnor has the right to take possession of the property being condemned, or (ii) the date Condemnor takes title to the property being condemned.

14.2 Rights and Obligations

If during the Term there is any taking of all or any part of the Property, the Improvements, or any interest in this Lease by Condemnation, the rights and obligations of the Parties shall be determined pursuant to this Section 14. Each Party waives the provisions of Code of Civil

Procedure Section 1265.130 allowing either Party to petition the Superior Court to terminate this Lease in the event of a partial taking of the Property.

14.3 Total Taking

(a) If all or substantially all of the Property, Improvements, or Landlord or Tenant's interest in this Lease shall be taken by Condemnation, this Lease shall terminate as of the Date of Taking. For purposes of this Section, "substantially all" of the Property, Improvements, or the Landlord or Tenant's interest in this Lease shall be deemed to have been taken if the Condemnation in Landlord's reasonable discretion prevents the remaining property from practicably being used by Tenant for the purposes contemplated by this Lease ("Total Taking").

(b) In the event of a Total Taking, Tenant shall be entitled to that portion of the Award attributable to the fair market value of the Improvements, plus compensation for fixtures and equipment and goodwill and relocation benefits and Landlord shall be entitled to receive the balance of any Award.

14.4 Partial Taking

(a) In the event of a taking, which is less than a Total Taking ("Partial Taking"), the Term of this Lease shall not be reduced or affected in any way.

(b) In the event of a Partial Taking:

(1) Subject to the rights of Project Lender(s), if any, that portion of the Award as may be required to reasonably repair and restore any Improvements on the Property shall be made payable to the Tenant for the cost of repair, restoration or reconstruction of the damaged or destroyed Improvements.

(2) If and to the extent that the Improvements cannot, in Landlord's reasonable judgment, be so repaired and restored, Landlord shall be entitled to retain the Award to reasonably compensate Landlord for the fair market value of Landlord's interest in this Lease taken by Condemnor and the fair market value of the Improvements which cannot be repaired or restored.

(c) If the temporary use or occupancy of all or any part of the Improvements shall be taken for any public or quasi use for a period exceeding sixty (60) days during the Term of this Lease, Tenant shall have the option to terminate this Lease upon thirty (30) days notice to Landlord, subject to the rights of Project Lenders, if any. If Tenant does not give, within ten (10) days of learning of the temporary use or occupancy, the thirty (30) day notice of this option to terminate the Lease, Tenant shall continue to pay in full the Rent and other sums due from Tenant to Landlord under this Lease, and Landlord shall be entitled to receive the balance, if any, of the Award.

14.5 Condemnation Proceedings

Tenant shall have the right to participate in any Condemnation proceedings concerning or affecting the Property, Improvements, or Landlord's interest in this Lease and Tenant's interest in this Lease. In case of a taking of all or any part of the Property or the commencement of any proceedings or negotiations which might result in such taking, any Party receiving information as to the same shall promptly give written notice thereof to the other.

15. ASSIGNMENT & SUBLETTING

Except in conjunction with the routine rental operations of residential apartment units at the Property, Tenant may not assign, sublet, transfer all or any of its interest in this Lease or alter the use of the Property without the prior written consent of Landlord at Landlord's sole discretion. In the event Landlord grants its consent to an assignment or transfer, Tenant shall not be released from any duties or obligations for the performance of all of the terms and conditions of this Lease, including, without limitation, the payment of Rent, upon the date of such assignment or transfer.

16. DEFAULTS AND TERMINATION

16.1 Termination for Cause

This Lease may be terminated by Landlord upon written notice to Tenant for just cause, with no penalties incurred by Landlord, upon the occurrence of any of the following events:

- (a) Tenant's failure to maintain licenses or permits as maybe required by any local, state, or federal governmental agency;
- (b) Tenant's failure to comply with all Laws;
- (c) In the event that a petition of bankruptcy shall be filed by or against the Tenant.
- (d) Tenant's Default for cause, as such term is defined in Sec. 16.2;
- (e) Tenant's failure to maintain the Property;
- (f) Tenant's failure to comply with any of the terms and conditions of this Lease; or
- (g) Tenant's failure to comply with any of the terms and conditions of the Property Management Agreement.

16.2 Defaults

Each of the following shall, after the giving of any required notice and the expiration of any applicable cure period described herein, constitute a default ("Default") by Tenant under this Lease:

- (a) Tenant's failure to pay any installment of Rent or other sum due under this Lease when due and payable, and such failure continues for a period of more than thirty (30) days after written notice to pay by Landlord;
- (b) Tenant's failure to perform any non-monetary obligation, provision, term, covenant or condition of this Lease, and such failure continues for more than thirty (30) days after written notice from the Landlord. However, if the Default is of such a character that it cannot be reasonably cured within thirty (30) days, Tenant shall not be in Default hereunder if Tenant shall commence the cure of such Default within thirty (30) days of Landlord's written notice to Tenant and shall thereafter diligently prosecute the same to completion;
- (c) The Property or any Improvements are not used for its intended purpose for a period exceeding ninety (90) days. However, in the event of Damage or Destruction or Condemnation to or of the Improvements, the terms and provisions of Sections 13 and 14 shall govern;

(d) If a receiver, guardian, conservator, trustee or assignee, or any other or similar officer or Person shall be appointed to take charge of the Property and/or Improvements, and such appointment is not vacated within ninety (90) days thereafter;

(e) The material falsity of any representation or breach of any warranty or covenant made by Tenant under the terms of this Lease shall constitute a default for which no cure is provided, provided that Landlord gives notice to Tenant of such material falsity within twelve (12) months following the Lease Date.

(f) Tenant shall (a) apply for or consent to the appointment of a receiver, trustee, liquidator or custodian or the like of its property, (b) make a general assignment for the benefit of creditors, (c) be adjudicated a bankrupt or insolvent, or (d) commence a voluntary case under the Federal bankruptcy laws of the United States of America or file a voluntary petition that is not withdrawn within ninety (90) days of the filing thereof or answer seeking an arrangement with creditors or an order for relief or seeking to take advantage of any insolvency law or file an answer admitting the material allegations of a petition filed against it in any bankruptcy or insolvency proceeding;

(g) If without the application, approval or consent of Tenant, a proceeding shall be instituted in any court of competent jurisdiction under any law relating to bankruptcy, in respect of Tenant or any constituent member or partner or majority shareholder, of Tenant for an order for relief or an adjudication in bankruptcy, a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee, receiver, liquidator or custodian or the like, or other like relief in respect thereof under any bankruptcy or insolvency law, and, if such proceeding is being contested by Tenant, in good faith, the same shall (a) result in the entry of an order for relief or any such adjudication or appointment, or (b) continue un-dismissed, or pending and un-stayed, for any period of ninety (90) consecutive days; or

(h) Tenant shall suffer or attempt to effect an assignment or transfer of this Lease in violation of this Lease.

16.3 Termination for Cause of Uncured Default

Upon occurrence of any Default by Tenant, Landlord may at its option and without any further demand or notice, provide a 60 day written notice of Termination of this Lease to Tenant, and on the date specified in such notice, Tenant's right to possession of the Property and Improvements shall cease immediately and this Lease shall terminate. Upon such Termination, Landlord may reenter the Property, and subject to the rights of subtenants, Landlord may eject all parties in possession of the Property through legal process and repossess and enjoy the Property.

16.4 Cumulative Nature of Remedies

The foregoing rights and remedies granted to Landlord under this Section 16 shall be cumulative to all other rights and remedies now or hereafter given to Landlord by Law or in equity or by the Terms of this Lease. No remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other available remedy or remedies and shall be in addition to every other remedy given under this Lease or now existing at law or in equity or by statute; and may be exercised in such manner, at such times and in such order as Landlord may determine in its sole discretion. No delay or omission in the exercise of any right or power upon the occurrence of any Default hereunder shall impair any such right or power or shall be construed

to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient by Landlord. In the event of a Default by Landlord or Tenant, neither party shall be entitled to recover consequential damages from the other. In order to entitle Landlord to exercise any right or remedy reserved to it under this Lease, no notice shall be required except as expressly provided herein.

16.5 Landlord's Right to Cure Breach

If an emergency threatens life or material damage to the Property, at any time and without notice to Tenant or any other party, Landlord may (but shall not be obligated to) cure any default by Tenant under this Lease at Tenant's sole cost and expense. If Landlord, by reason of Tenant's failure, pays any sum or does any act under this Section 16, the reasonable sum paid by Landlord plus the reasonable cost of performing such act shall be due as additional Rent within thirty (30) days after written demand therefore by Landlord to Tenant. Except as specifically provided under the terms of this Lease, no such payment or act shall constitute a cure or waiver of the breach or a waiver of any remedy for Default or render Landlord liable for any loss or damage resulting from any such act.

16.6 Termination's Effect on Property Management Agreement

In the event that Landlord elects to terminate this Lease for any reason whatsoever, Landlord may also elect, in its sole and absolute discretion, to terminate the Property Management Agreement.

17. SURRENDER: ENTRY

17.1 Surrender

(a) Surrender upon Expiration or Earlier Termination

Subject to the provisions of this Lease, upon the Expiration or earlier Termination of this Lease, Tenant shall surrender the Property to Landlord.

(b) Voluntary Surrender

Tenant may surrender the Property to Landlord upon sixty (60) days prior written notice at any time during the Term of this Lease with the written consent of the Landlord. In such event, Tenant shall be relieved of any and all obligations arising on or subsequent to the date the Lease is so surrendered to Landlord, provided, however that Tenant shall remain obligated on all obligations that arise prior to the date of such surrender.

(c) Ownership and Encumbrance of the Improvements

Improvements on the Property shall be the sole and absolute property of Landlord, who may transfer, sell, assign or remove the same subsequent to any Termination or Expiration of the Lease. Landlord retains the right to further encumber the Property or Improvements during the term of the Lease.

17.2 Landlord's Entry on Property Landlord shall have the right to enter the Property at any reasonable time during normal business hours without notice for any reasonable purpose. Landlord shall not be liable in any manner for any inconvenience, annoyance, disturbance, loss of business, nuisance, or other damage arising out of Landlord's entry on the Property as provided in this section, except damage resulting from the negligent acts or negligent omissions of Landlord. Tenant shall not be entitled to an abatement or reduction of Rent if Landlord exercises any rights reserved in this Section.

18. NOTICES.

All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments or designations under this Lease made or given by either Party to the other shall be personally delivered or sent by reputable overnight courier or United States certified mail, return receipt requested, postage prepaid, and shall be deemed received upon delivery if personally served, one (1) day after deposit with an overnight courier, or three (3) days after deposit in the United States mail, if sent certified mail, return receipt requested, postage prepaid. Such notices shall be addressed as follows:

If to Landlord: Executive Director
 Community Development Commission of the
 County of Los Angeles
 2 Coral Circle
 Monterey Park, CA 91755

If to Tenant: Executive Director
 New Economics for Women
 303 S. Loma Drive
 Los Angeles, CA 90017

or to such other place or places as Landlord and Tenant may designate by written notice similarly delivered.

19. QUIET POSSESSION

Tenant shall peaceably and quietly have, hold and enjoy the Property during the Term hereof, as the same may be extended, without hindrance by Landlord, subject to all of the provisions of this Lease.

20. OPTION OF TENANT TO PURCHASE PROPERTY

20.1 Grant of Option.

Landlord hereby grants to Tenant the option to purchase the Property (the "Option"), pursuant to the terms and conditions of the Real Estate Option Agreement and Receipt for Deposit ("Option Agreement") executed concurrently herewith, a copy of which is attached hereto as Exhibit G, and incorporated herein by reference.

20.2 Exercise of Option.

If Tenant is not in breach of this Lease, Tenant may exercise the Option pursuant to the terms and conditions of the Option Agreement.

20.3 No Assignment of Option.

This Option is not assignable. If Tenant attempts to assign the Option, then the Option Agreement shall immediately terminate and Landlord, upon thirty (30) days written notice to Tenant, may terminate this Lease and/or the Property Management Agreement.

21. GENERAL PROVISIONS

21.1 Waiver

The waiver by Landlord or Tenant of any breach by the other Party of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of Rent hereunder by the Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant, or condition of this Lease, other than the failure to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent.

21.2 Estoppel Certificates

At any time and from time to time, within twenty (20) days after notice of request by either Party, the Party so requested shall execute, acknowledge, and deliver to the requesting Party, or to such other recipient as the notice shall direct, a statement certifying that this Lease is unmodified and in full force and effect, or, if there have been modifications, that it is in full force and effect as modified in the manner specified in the statement and acknowledging that there are no uncured Defaults or failures to perform any covenant or Provision of this Lease on the part of the other Party hereto or specifying any such Defaults or failures which are claimed to exist. The statement shall also state the dates to which the Rent and any other charges have been paid in advance. The statement shall be such that it can be relied on by any lender, auditor, creditor, banker, and investment banker of either Party and by any prospective purchaser or mortgagee of the Property or all or any part or parts of Tenant's or Landlord's interests under this Lease.

21.3 Modification

No Provision of this Lease may be amended or varied except by an agreement in writing signed by the Parties.

21.4 Governing Law

The Lease shall be governed by and interpreted under the laws of the State of California.

21.5 Successors

The covenants, conditions and agreements of this Lease shall be binding upon and shall inure to the benefit of the heirs, representatives, successors and assigns of the Parties hereto.

21.6 Severability

If the Provisions of this Lease shall for any reason be held to be invalid, illegal or unenforceable by any court of competent jurisdiction, the validity of the other Provisions of this Lease shall in no way be affected thereby, and this Lease shall be construed as though such invalid, illegal or unenforceable Provisions had never been contained herein, provided that such construction does not materially alter the rights or obligations of either Party hereunder.

21.7 RESERVED

21.8 Termination for Improper Consideration

Landlord may, by written notice to Tenant, immediately terminate the right of Tenant under this Lease if it is found that consideration, in any form, was offered or given by Tenant, either directly or through an intermediary, to any Landlord officer, employee or agent with the intent of securing the Lease or securing favorable treatment with respect to the award, amendment or extension of the Lease or the making of any determinations with respect to the Tenant's performance pursuant to the Lease. In the event of such termination, Landlord shall be entitled

to pursue the same remedies against the Tenant as it could pursue in the event of default by the Tenant. Tenant shall immediately report any attempt by a Landlord officer or employee to solicit such improper consideration. The report shall be made to the Landlord's manager charged with the supervision of the officer or employee or the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0491 or (800) 544-6861.

21.9 Captions

The captions of the sections of this Lease are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

21.10 Brokers

Each Party warrants to and for the benefit of the other that it has had no dealings with any real estate broker or other agent (attorneys excepted) in connection with the negotiation or making of this Lease.

21.11 Force Majeure

Except as provided below, any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, extraordinary governmental restrictions, regulations or controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the control of the Party obligated to perform any term, covenant or condition of this Lease, shall excuse the performance by such Party for a period equal to any such prevention, delay or stoppage, except the obligations imposed with regard to Rent or Landlord's financial obligations pursuant to this Lease, unless abatement is provided for in those instances under this Lease. Either Party encountering such force majeure delays shall send written notice thereof to the other Party no later than ten (10) days after the commencement of such force majeure delay. If the Party encountering such force majeure delay fails to send notice thereof to the other Party within ten (10) days after the commencement of such delay, then any alleged delay occurring more than ten (10) days prior to the date of such notice shall not be deemed to extend any time for performance set forth herein.

21.12 Conflict of Documents

To the extent of any inconsistency between this Lease and any other related agreements entered into prior to the Lease Date, the terms of this Lease shall prevail.

21.13 Compliance with Laws

Tenant and Landlord agree to be bound by all Laws as they pertain to the performance of this Lease.

21.14 Federal Lobbyist Requirements

Tenant is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and Housing & Urban Development's 24 Code of Federal Regulations (CFR) 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of any agency, a Member of Congress an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification of said documents.

21.15 Conflict of Interest

Tenant represents, warrants and agrees that to the best of its knowledge, except as previously disclosed to Landlord in writing, it does not presently have, nor will it acquire during the Term of this Lease, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one percent (1 %) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Community Development Commission of the County of Los Angeles ("Commission"), the County of Los Angeles ("County"), or the Housing Authority of the County of Los Angeles ("Housing Authority"). Upon execution of this Lease and during its Term, as appropriate, the Tenant shall disclose in writing to the Commission any other contract or employment during the Term of this Lease by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Commission's interest and the interest of the third parties.

21.16 Access, Retention, and Inspection of Records

Tenant shall retain all books, documents, papers, accounting records, rental payment receipts, reports, data, information, ledgers, accounts receivable, rental agreements, contracts with third parties, maintenance records, expenses, costs, liabilities, rents collected, rents owed, vacancy rates, insurance records, tax records, profit and loss statements, and any other documents or agreements related to the Development, Property, Lease, or Child Care Center, (collectively referred to as "Records") of the Tenant, which relate in any way to the Development, Property, Lease, or Child Care Center. Upon twenty four (24) hours notice, and at any and all other times as reasonably requested by Landlord, Tenant shall provide Landlord, and any of its authorized representatives, access to review, inspect, examine, audit, and make copies of the Records. Tenant shall provide such access during normal business hours or at any other times as reasonably requested by Landlord. Tenant is required to retain the Records during the Term of this Lease and for no less than five (5) years after expiration of the Term or termination of this Lease. Tenant's, or any of its assignee's or subcontractor's, failure to keep and maintain adequate records, in Landlord's sole discretion, shall be deemed a material breach of this Lease and Landlord may elect to terminate this Lease, upon thirty (30) days written notice to Tenant. In the event that Tenant assigns any of its rights under this Lease or the Property Management Agreement, then Tenant shall require all assignees to comply with the provisions of this section, in favor of Landlord, and language substantially similar thereto shall also be incorporated into Tenant's agreements with any assignees.

21.17 Safety Standards and Accident Prevention

Tenant shall comply with all applicable federal, state and local laws governing safety, health and sanitation. Tenant shall provide all safeguards, safety devices and protective equipment and take any other needed actions, as its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Lease.

21.18 Drug-Free Workplace Act of the State of California

Tenant certifies under penalty of perjury under the laws of the State of California that Tenant will comply with the requirements of the Drug-Free Workplace Act of 1990.

21.19 Tenant's Acknowledgement of Commission's Commitment to the Safely Surrendered Baby Law

The Tenant acknowledges that the Commission places a high priority on the implementation of the Safely Surrendered Baby Law. The Tenant understands that it the Commission's policy to

encourage all Commission Contractors, which shall include Tenant, to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Property. Tenant will also encourage its subcontractors, if any, to post this poster, in a prominent position in the subcontractor's place of business. The County's Department of Children and Family Services will supply Tenant with the poster to be used.

21.20 Notice to Employees Regarding the Safely Surrendered Baby Law

Tenant shall notify and provide to its employees, and shall require each entity with which it contracts to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit E, County Contractor Notification to Contract Employees Regarding the Newborn Abandonment Law (SB 1368, the Safely Surrendered Baby Law) and is also available on the Internet at www.babysafela.org for printing purposes.

21.21 Tenant's Warranty of Adherence to Commission's Child Support Compliance Program

Tenant acknowledges that the Commission has established a goal of ensuring that all individuals who benefit financially from the Commission through a contract are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County.

As required by Commission's Child Support Compliance Program and without limiting Tenant's duty under this Lease to comply with all applicable provisions of law, Tenant warrants that it is now in compliance and shall, during the term of this Lease, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or CSSD Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

21.22 Termination for Breach of Warranty to Comply with Commission's Compliance Program

Failure of Tenant to maintain compliance with the requirements set forth in Section 21.21, shall constitute default under this Lease. Without limiting the rights and remedies available to Landlord under any other provision of this Lease, failure of Tenant to cure such default within ninety (90) calendar days of written notice shall be grounds upon which Landlord may terminate this Lease.

21.23 Post Most Wanted Delinquent Parents List

Tenant acknowledges that the County and the Commission place a high priority on the enforcement of child support laws and the apprehension of child support evaders. Tenant understands that it is County's and Commission's policy to strongly encourage all Tenants to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Tenant's place of business. The Child Support Services Department (CSSD) will supply Tenant with the poster to be used.

21.24 Compliance with Jury Service Program

(a) Unless Tenant has demonstrated to the Landlord's satisfaction either that Tenant is not a "Tenant" as defined under the Jury Service Program ("Program") or that Tenant qualifies

for an exception to the Jury Service Program Tenant shall have and adhere to a written policy that provides that its Employees shall receive from the Tenant, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the Tenant or that the Tenant deduct from the employee's regular pay the fees received for jury service.

(b) For purposes of this Section, "Tenant" means a person, partnership, corporation or other entity which has a contract with the Commission or a subcontract with a Commission contractor and has received or will receive an aggregate sum of fifty thousand dollars (\$50,000) or more in any twelve (12) month period under one (1) or more Commission contracts or subcontracts. "Employee" means any California resident who is a full time employee of Tenant. "Full time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Commission, or 2) Tenant has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Program. If Tenant uses any subcontractor to perform services for the Commission under the Lease, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Program shall be attached to the agreement.

(c) If Tenant is not required to comply with the Program when the Lease commences, Tenant shall have a continuing obligation to review the applicability of its "exception status" from the Program, and Tenant shall immediately notify Commission if Tenant at any time either comes within the Program's definition of "Tenant" or if Tenant no longer qualifies for an exception to the Program. In either event, Tenant shall immediately implement a written policy consistent with the Program. Landlord may also require, at any time during the Lease and at its sole discretion, that Tenant demonstrate to the Commission's satisfaction that Tenant either continues to remain outside of the Program's definition of "Tenant" and/or that Tenant continues to qualify for an exception to the Program.

(d) Tenant's violation of this Section of the Lease may constitute a material breach of the Lease. In the event of such material breach, Landlord may, in its sole discretion, terminate the Lease and/or bar Tenant from the award of future Commission contracts for a period of time consistent with the seriousness of the breach.

21.25 Tenant's Responsibility and Debarment

(a) A responsible Tenant demonstrates the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the terms and conditions of this Lease. It is the policy of Landlord to conduct business only with responsible contractors.

(b) Tenant is hereby notified that if the Commission acquires information concerning the performance of the Tenant on this or other contracts which indicates that the Tenant is not responsible, the Commission may, in addition to other remedies provided in the contract, debar the Tenant from bidding on Commission contracts for a specified period of time not to exceed five (5) years, and terminate any or all existing contracts the Tenant may have with the Commission.

(c) Commission may debar Tenant if the Commission's Board of Commissioners (the "Board of Commissioners") finds, in its discretion, that the Tenant has done any of the following: (l)

violated any term of a contract with the County, Commission or Housing Authority, (2) committed any act or omission which negatively reflects on the Tenant's quality, fitness or capacity to perform a contract with the County, Commission, Housing Authority, or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County, Commission, Housing Authority, or any other public entity.

(d) If there is evidence that Tenant may be subject to debarment, the Commission will notify Tenant in writing of the evidence, which is the basis for the proposed debarment and will advise Tenant of the scheduled date for a debarment hearing before the Contractor Hearing Board.

(e) The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Tenant and/or the Tenant's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether Tenant should be debarred, and, if so, the appropriate length of time of the debarment. If Tenant fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, Tenant may be deemed to have waived all rights of appeal.

(f) A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

(g) These terms shall also apply to subcontractors and/or sub-consultants of Tenant.

21.26 Tenant's Charitable Contribution Compliance

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Tenants to complete the Charitable Contributions Certification as included in Attachment E — Required Contract Forms, the Commission seeks to ensure that all Commission or Housing Authority contractors that receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A Tenant that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

21.27 Interpretation

No provision of this Lease is to be interpreted for or against either Party because that Party or that Party's legal representative drafted such provision, but this Lease is to be constructed as if it was drafted by each of the Parties hereto.

21.28 Waiver No breach of any provision hereof can be waived unless in writing. Waiver of any breach of any provision shall not be deemed to be a waiver of any subsequent breach of the same or any other provision hereof.

21.29 Entire Agreement

This Lease contains the entire agreement between the Parties with respect to the subject matter hereof. No verbal agreement or implied covenant, unless included in such a

contemporaneous agreement, shall be held to vary the Provisions hereof, any statements, laws or custom to the contrary notwithstanding. No promise, representation, warranty, or covenant not included in this Lease has been or is relied on by either Party. Each Party has relied on its own inspection of the Property and Development, and examination of this Lease, the counsel of its own advisors, and the warranties, representations, and covenants in this Lease. The failure or refusal of either Party to inspect the Property and Development, to read this Lease or other documents, or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on such reading, inspection, or advice.

SIGNATURES

IN WITNESS WHEREOF, Tenant and Landlord have executed this Lease through their duly authorized officers this _____ day of _____, 2009.

COMMUNITY DEVELOPMENT COMMISSION OF
THE COUNTY OF LOS ANGELES

NEW ECONOMICS FOR WOMEN

By: _____
SEAN ROGAN
Executive Director

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

Robert E. Kalunian
Acting County Counsel

By: _____
BEHNAZ TASHAKORIAN
Deputy

EXHIBIT "A" TO MASTER LEASE - LEGAL DESCRIPTION

(895 North Bonnie Beach Place, Los Angeles, CA 90063)

Being all of Lot 13 and a portion of Lot 14 of Tract No. 8241, shown on a Map recorded in Book 114, Pages 87 and 88 of Maps, and a portion of the east 5 Acres of Lot "A" of Tract No. 1435, as shown on a Map recorded on Book 18, Page 179 of Maps recorded in the Office of the County Recorder of said County, and is described as follows.

Beginning of the Northeast corner of said Lot 13, said corner being on the Westerly line of N. Bonnie Beach Place (60 feet wide) and shown as Richards Street on said Tract No. 8241; thence along said Westerly line South 00 17' 13" East 95.00 feet to the beginning of a tangent curve concave Northwesterly and having a radius of 15.00 feet; thence Southwesterly along said curve through a central angle of 89 58' 53" an arc length of 23.56 feet to the Northerly line of Rockwood Street (50 feet wide) as shown on Tract No. 8241, thence along said Northerly line of Rockwood Street South 89 41' 40" West 5.00 feet to the Westerly end of said Rockwood Street and the Easterly line of said Lot "A"; thence along said Southerly line North 89 41' 40" East 5.00 feet to the beginning of a tangent curve concave Southwest and having a radius of 15.00 feet; thence Southeasterly along said curve through a central angle of 90 01' 07" and arc length of 23.57 feet to the Westerly line of Said N. Bonnie Beach Place; thence Southerly along said Westerly South 00 17' 13" East 77.00 feet; thence South 89 41' 40" West 220.0 feet; thence North 00 17" 13" West 42.00 feet; thence South 89 41'40" West 122.00 feet to a point on a line that is parallel and 322.00 feet Westerly of the Easterly line of said Lot "A"; thence along said parallel line North 00 17' 13" West 210.00 feet to the Northerly line of said Lot "A"; thence along said Northerly line and the Northerly line of said Lot 13 North 89 41' 40" East 342.00 feet to the true point of beginning.

EXHIBIT “B” TO MASTER LEASE- COMMISSION REQUIREMENTS

The Tenant agrees to comply with the following Commission requirements:

1. Termination for Improper Consideration

Commission may, by written notice to the Tenant, immediately terminate the right of the Tenant to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Tenant, either directly or through an intermediary, to any Commission officer, employee or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment or extension of this Agreement or the making of any determinations with respect to the Tenant's performance pursuant to this Agreement. In the event of such termination, Commission shall be entitled to pursue the same remedies against the Tenant as it could pursue in the event of default by the Tenant.

The Tenant shall immediately report any attempt by a Commission officer or employee to solicit such improper consideration. The report shall be made either to Commission's Executive Director or his designee.

Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

2. Confidentiality of Reports

The Tenant shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of Commission.

3. Commission's Quality Assurance Plan

Commission will evaluate Tenant's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Tenant's compliance with all contract terms and performance standards. Tenant deficiencies which Commission determines are severe or continuing and that may place performance of the Agreement in jeopardy, if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by Commission and Tenant. If improvement does not occur consistent with the corrective measure, Commission may terminate this Agreement or seek other remedies as specified in this Agreement.

4. Tenant's Warranty of Adherence to Commission's Child Support Compliance Program

Tenant acknowledges that the Commission has established a goal of ensuring that all individuals who benefit financially from the Commission through contract are in compliance with their court-ordered child, family and spousal support obligations, in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles County.

As required by the Commission's Child Support Compliance Program and without limiting Tenant's duty under this Agreement to comply with all applicable provisions of law, Tenant warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

5. Termination For Breach of Warranty to Maintain Compliance With Commission's Child Support Compliance Program

Failure of Tenant to maintain compliance with the requirements set forth in Paragraph 4, "Tenant's Warranty of Adherence to Commission's Child Support Compliance Program" shall constitute a default by Tenant under this Agreement. Without limiting the rights and remedies available to the Commission under any other provision of this Agreement, failure to cure such default within 90 calendar days of written notice shall be grounds upon which the Commission may terminate this Agreement pursuant to said paragraph 4 and pursue debarment of Tenant, pursuant to Commission policy.

6. Post Most Wanted Delinquent Parents List

Tenant acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Tenant understands that it is County's and Commission's policy to strongly encourage all Tenants to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. The Child Support Services Department (CSSD) will supply Tenant with the poster to be used.

7. Independent Contractor

This Agreement does not, is not intended to, nor shall it be construed to create the relationship of agent, employee or joint venture between the Commission and the Tenant.

8. Drug-Free Workplace Act of the State of California

Tenant certifies under penalty of perjury under the laws of the State of California that the Tenant will comply with the requirements of the Drug-Free Workplace Act of 1990.

9. Compliance with Laws

The Tenant agrees to be bound by applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Agreement. If the compensation under this Agreement is in excess of \$100,000 then Tenant shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Tenant must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Agreement.

Tenant shall comply with the following laws:

10. Civil Rights Act of 1964, Title VI (Non-discrimination in Federally Assisted Programs)

Tenant shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

11. Section 109 of the Housing and Community Development Act of 1974

Tenant shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

12. Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

Tenant shall comply with the Age Discrimination Act of 1975 and section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Agreement on the basis of age or with respect to an otherwise qualified disabled individual.

13. Executive Order 11246 and 11375, Equal Opportunity in Employment (Non-discrimination in Employment by Government Contractors and Subcontractors)

Tenant shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment which requires that during the performance of this Agreement, the Tenant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, ancestry, marital status, or disability. The Tenant will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Tenant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

The Tenant will, in all solicitations or advertisements for employees placed by or on behalf of the Tenant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Tenant will send to each labor union or representative of workers with which he has a collective bargaining Agreement or other contract or understanding, a notice to be provided by the agency of the Tenant's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Tenant will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Tenant will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by Commission and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Tenant's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Tenant may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Tenant will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of

Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions will be binding upon each subcontractor or vendor. The Tenant will take such actions with respect to any subcontract or purchase order as Commission may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Tenant becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by Commission, the Tenant may request the United States to enter into such litigation to protect the interests of the United States.

14. Notice to Employees Regarding the Federal Earned Income Credit

Tenant shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

15. Use of Recycled-Content Paper Products

Tenant agrees to use recycled-content paper to the maximum extent possible on the Project in order to reduce the amount of solid waste deposited at the County landfills.

16. Contractor Responsibility and Debarment

- A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Commission to conduct business only with responsible Contractors.
- B. The Contractor is hereby notified that if the Commission acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Commission may, in addition to other remedies provided in the contract, debar the Contractor from bidding on Commission contracts for a specified period of time not to exceed 3 years, and terminate any or all existing contracts the Contractor may have with the Commission.
- C. Commission may debar a Contractor if the Board of Commissioners finds, in its discretion, that the Tenant has done any of the following: (1) violated any term of a contract with the County, the Commission or the Housing Authority of the County of Los Angeles (HACOLA), (2) committed any act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, the Commission or HACOLA or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which

indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County, the Commission or HACOLA or any other public entity.

- D. If there is evidence that the Contractor may be subject to debarment, Commission will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.
- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- G. If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The Commission may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the Commission.
- H. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will

provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

- I. These terms shall also apply to subcontractors and subconsultants of County, HACOLA, or Commission contractors, consultants, vendors and agencies.

17. Section 3 of the Housing and Community Development Act of 1968, as Amended

- A. The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this Agreement agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- C. The Tenant agrees to send to each labor organization or representative of workers with which the Tenant has a collective bargaining Agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Tenant's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the

person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- D. The Tenant agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Tenant will not subcontract with any subcontractor where the Tenant has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The Tenant will certify that any vacant employment positions, including training positions, that are filled (1) after the Tenant is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Tenant's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

18. Barriers For the Disabled

The Project shall be developed to comply with all applicable federal, state and local requirements for access for disabled persons.

19. Lead-Based Paint

Tenant and its contractors and subcontractors shall not use lead-based paint in construction or maintenance of the Project. Tenant shall cause this provision to be incorporated in all contracts and subcontracts for work performed on the Site which involve the application of paint.

20. Notice To Employees Regarding The Safely Surrendered Baby Law

Tenant shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

21. Tenant's Acknowledgment of Commission's Commitment To The Safely Surrendered Baby Law

Tenant acknowledges that the Commission places a high priority on the implementation of the Safely Surrendered Baby Law. Tenant understands that it is the Commission's policy to encourage all Commission Tenants to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the Tenant's place of business. Tenant will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services of the County of Los Angeles will supply Tenant with the poster to be used.

22. Lobbyist Ordinances

Federal Lobbyist Requirements: Tenant is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative Agreement, and any extension, continuation, renewal, amendment or modification of said documents.

Tenant must certify in writing on the Federal Lobbyist Requirements Certification form that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Tenant will comply with the Lobbyist Requirements.

Failure on the part of the Tenant or persons/subcontractors acting on behalf of the Tenant to fully comply with the Federal Lobbyist Requirements may be subject to civil penalties.

23. Compliance With Jury Service Program.

- A. Unless Tenant has demonstrated to the Commission satisfaction either that Tenant is not a "Contractor" as defined under the Jury Service Program or that Tenant qualifies for an exception to the Jury Service Program, Tenant shall have and adhere to a written policy that provides that its Employees shall receive from

the Tenant, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Tenant or that the Tenant deduct from the Employee's regular pay the fees received for jury service.

- B. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Tenant. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Tenant has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Tenant uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract Contract and a copy of the Jury Service Program shall be attached to the Contract.
- C. If the Tenant is not required to comply with the Jury Service Program when the Contract commences, Tenant shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Tenant shall immediately notify County if Tenant at any time either comes within the Jury Service Program's definition of "Contractor" or if Tenant no longer qualifies for an exception to the Program. In either event, Tenant shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Tenant demonstrate to the County's satisfaction that Tenant either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Tenant continues to qualify for an exception to the Program.
- D. Tenant's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Tenant from the award of future County contracts for a period of time consistent with the seriousness of the breach.

24. Tenant's Charitable Activities Compliance

The Supervision of Trustees and Fundraisers For Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Tenants to complete the "Charitable Contributions Certificate" form the

Commission seeks to ensure that all Commission Tenants that receive or raise charitable contributions comply with California law in order to protect the Commission and its taxpayers. A Tenant that received or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

EXHIBIT "C" TO MASTER LEASE -HOME PROGRAM REQUIREMENTS

SUMMARY OF FEDERAL PROGRAM REQUIREMENTS

All developments which are assisted using HOME program funds must comply with all of the following federal laws, executive orders, and regulations pertaining to fair housing and equal opportunity, as set forth in 24 CFR part 5, subpart A.

Title VI of the Civil Rights Act of 1964, As Amended (42 U.S.C. 2000d) -- States that no person may be excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity receiving federal financial assistance on the basis of race, color, or national origin. Its implementing regulations may be found in 28 CFR Part 1.

Title VIII of the Civil Rights Act of 1968, As Amended "the Fair Housing Act" (42 U.S.C. 3601) -- Prohibits discrimination in the sale or rent of units in the private housing market against any person on the basis of race, color, religion, sex, national origin, familial status or handicap. Its implementing regulations may be found in 24 CFR Part 100-115.

Equal Opportunity in Housing (Executive Order 11063, As Amended by Executive Order 12259) -- Prohibits discrimination in housing or residential property financing related to any federally assisted activity against individuals on the basis of race, color, religion, sex or national origin. Implementing regulations may be found in 24 CFR Part 107.

Age Discrimination Act of 1975, as Amended (42 U.S.C. 6101) -- Prohibits age discrimination in programs receiving federal financial assistance. Its implementing regulations may be found in 24 CFR Part 146.

Equal Employment Opportunity, Executive Order 11246, as Amended -- Prohibits discrimination against any employee or applicant for employment because of race, color, religion, sex, or national origin. Provisions to effectuate this prohibition must be included in all construction contracts exceeding \$10,000. Implementing regulations may be found at 41 CFR Part 60.

HOME PROGRAM TENANT MONITORING

All HOME projects must comply with the HOME Program tenant monitoring procedures established by the Landlord, pursuant to 24 CFR Part 92 Sections 252 and 253. New construction projects must comply for 20 years, and rehabilitation projects for 5, 10, or 15 years as set forth in the HOME Program regulations. After HOME Program requirements no longer apply, the Commission will continue monitor the projects for the full term of this agreement.

HOME PROGRAM CHDO RECERTIFICATION

All Developers of projects that receive HOME funds as a Community Housing Development Organization (CHDO) must comply with the HOME Program CHDO recertification and monitoring procedures established by the Commission. New construction projects must comply for 20 years, and rehabilitation projects for 5, 10, or 15 years as set forth in the HOME Program regulations.

AFFIRMATIVE MARKETING

Use of the Fair Housing logo, or equal opportunity language

A description of what the developer will do to affirmatively market housing assisted with HOME funds.

A description of what developer will do to inform persons not likely to apply for housing without special outreach.

Maintenance of records to document actions taken to affirmatively market HOME-assisted units and to assess marketing effectiveness.

Description of how efforts will be assessed and what corrective actions will be taken where requirements are not met.

CONFLICT OF INTEREST

No owner, developer, or sponsor of a project assisted with HOME funds, or any officer, employee, agent, or consultant of such may occupy a HOME-assisted unit in the project, unless a waiver in writing is first obtained from the Commission. This provision does not apply to an employee or agent who occupies the unit as the project manager or maintenance worker.

SUMMARY OF FEDERAL PROGRAM REQUIREMENTS

WHAT SECTION 504 REQUIRES

HUD's Section 504 regulations require that a recipient of Federal financial assistance ensure that its program, when viewed in its entirety, is accessible to persons with disabilities. (24 CFR 8.20) In order to meet this obligation, participants in the HOME Program must:

- To the maximum extent feasible, distribute accessible units throughout the projects and sites, and make them available in a sufficient range of sizes and amenities so as not to limit choice.

- Adopt suitable means to assure that information regarding the availability of accessible units reaches eligible individuals with disabilities. They must also take reasonable nondiscriminatory steps to maximize use of such units by eligible individuals.
- When an accessible unit becomes vacant, before offering the unit to an individual without a disability, offer the unit: first, to a current occupant of the project requiring the accessibility feature; and second, to an eligible qualified applicant on the waiting list requiring the accessibility features.
- When an applicant or tenant requires an accessible feature or policy modification to accommodate a disability, a federally assisted provider must provide such feature or policy modification unless doing so would result in a fundamental alternation in the nature of its program or an undue financial and administrative burden. See 24 CFR 8.4, 8.24, and 8.33 for further requirements and guidance.
- Providers are required to ensure that information about their programs is disseminated in a manner that is accessible to persons with disabilities. For example, special communication systems can greatly increase the effectiveness of outreach and ongoing communication (e.g., Telecommunications Devices for the Deaf (TTY), materials on tape or in Braille).
- * Providers must ensure that activities and meetings are conducted in accessible locations.

Participants in the HOME Program may:

- Ask applicants for information that can demonstrate that they can meet the obligations of tenancy including financial information, references, prior tenancy history, etc. However, housing providers may not inquire into the nature and severity of an applicant or tenant's disability, nor may they ask persons with disabilities questions not asked of all applicants, apply different types of screening criteria, or assess an applicant's ability to live independently.
- Ask if the applicant qualifies for a housing program or unit designed for persons with a disability, when the housing program or unit is designed for such persons.
- Consider including a lease provision that requires a non-disabled family occupying an accessible unit to move if a family with a disability needing that size unit applies and there is an appropriately sized non-accessible unit available for the relocating family.

All recipients and sub-recipients must conduct self-evaluations of compliance with Section 504.

COMMUNITY BUSINESS ENTERPRISE

Executive Orders 11625, 12432, and 12138 (Community Business Enterprise)

Developer must prescribe procedures acceptable to HUD for a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women and entities owned by minorities and women in all contracts. See 24 CFR 85.36(e) of which its appendices provide guidance from HUD on acceptable outreach practices.

SITE AND NEIGHBORHOOD STANDARDS

Housing provided through the HOME program must promote greater choice of housing opportunities. Specific rules are as follows:

HOME-provided housing must be suitable from the standpoint of facilitating and furthering full compliance with the Title VI of the Civil Rights Act - 1964, the Fair Housing Act, and Executive Order 11063.

EXHIBIT "D" TO MASTER LEASE- BABY SAFELY SURRENDER

**No shame.
No blame.
No names.**

**Newborns can be safely given up
at any Los Angeles County
hospital emergency room or fire station.**



**In Los Angeles County:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org**



State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director



Los Angeles County Board of Supervisors
Gloria Molina, Supervisor, First District
Yvonne Brathwaite Burke, Supervisor, Second District
Zev Yaroslavsky, Supervisor, Third District
Don Knabe, Supervisor, Fourth District
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

Sin pena. Sin culpa. Sin peligro.

Los recién nacidos pueden ser entregados
en forma segura en la sala de emergencia de
cualquier hospital o en un cuartel de bomberos
del Condado de Los Angeles.



En el Condado de Los Angeles:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org



Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Grantland Johnson, Secretario

Departamento de Servicios Sociales
(Department of Social Services)
Rita Saenz, Directora



Consejo de Supervisores del Condado de Los Angeles

Gloria Molina, Supervisora, Primer Distrito
Yvonne Brathwaite Burke, Supervisora, Segundo Distrito
Zev Yaroslavsky, Supervisor, Tercer Distrito
Don Knabe, Supervisor, Cuarto Distrito
Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa también está apoyada por First 5 LA y INFO LINE de Los Angeles.

¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

**Cada recién nacido merece una
oportunidad de tener una vida saludable.
Si alguien que usted conoce está pensando
en abandonar a un recién nacido, infórmele
qué otras opciones tiene.**

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.

EXHIBIT "E" TO MASTER LEASE -REQUIRED CONTRACT FORMS

**FEDERAL LOBBYIST REQUIREMENTS
CERTIFICATION**

Name of Firm: _____ Date: _____

Address: _____

State: _____ Zip Code: _____ Phone No. : _____

Acting on behalf of the above named firm, as its Authorized Official, I make the following Certification to the Department of Housing and Urban Development (HUD) and the Community Development Commission, County of Los Angeles:

- 1) No Federal appropriated funds have been paid, by or on behalf of the above named firm to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of and Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification thereof, and;

 - 2) If any funds other than Federal appropriated funds have paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant loan, or cooperative agreement, the above named firm shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions, and:

 - 3) The above name firm shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreement) and that all sub-recipients shall certify and disclose accordingly.
-

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into the transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Authorized Official:

Name: _____ Title: _____

Signature: _____ Date: _____

EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

Vendor's Name

Address

Internal Revenue Service Employer Identification Number

GENERAL

The Contractor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America, the State of California, and all local ordinances. The Contractor further certifies that all subcontractors, suppliers, vendors and distributors with whom the Contractor has a contractual relationship are also in compliance with all applicable federal, state and local anti-discriminatory laws.

VENDOR'S CERTIFICATION

- 1. The vendor has a written policy statement prohibiting discrimination in all phases of employment.
- 2. The vendor periodically conducts a self-analysis or utilization analysis of its work force.
- 3. The vendor has a system for determining if its employment practices are discriminatory against protected groups.
- 4. Where problem areas are identified in employment practices, the vendor has a system for taking reasonable corrective action, to include establishment of goals of timetables.

Authorized Official:

Name: _____ Title: _____

Signature: _____ Date: _____

Community Development Commission of the County of Los Angeles

ORGANIZATION INFORMATION FORM

I. FIRM/ORGANIZATION INFORMATION Contractors/Vendors are selected without regard to race/ethnicity, color, religion, sex, national origin, age, marital status or disability.
 NAME OF FIRM:

Business Structure: Sole Proprietorship Partnership Corporation Non-Profit
 Franchise Other (Please

Specify)

Total Number of Employees (including owners):						
Distribute the above total number of employees into the following categories:						
Race/Ethnic Composition	Owners/Partners/ Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
African American						
Hispanic American						
Asian American						
Asian Pacific American						
Native American						
Caucasian						
Other _____						

MINORITY OR WOMEN-OWNED BUSINESS ENTERPRISE REPRESENTATION

This firm/organization:

- is a Minority Business Enterprise.**
 "Minority Business Enterprise," as used in this provision means an independent business concern which is at least 51 percent owned by one or more minority group members; or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one of more minority group members; and whose management and daily operations are controlled by one or more such individuals.
- is a Woman Business Enterprise.**
 "Woman Business Enterprise," as used in this provision, means an independent business concern which is at least 51 percent owned by one or more women who are U.S. citizens; or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more women; and whose management and daily operations are controlled by one or more women.
- is not a Minority or Woman Business Enterprise.**

DECLARATION

I declare under penalty of perjury under the laws of the state of California that the above information is true and accurate. I understand that the Commission reserves the right to audit the above information at any time and that I will notify the Commission if there are any changes in this firm's ownership from what is stated on this form.

Print Authorized Name	Authorized Signature	Title	Date

COMMUNITY DEVELOPMENT COMMISSION
 CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM
 APPLICATION FOR EXEMPTION AND CERTIFICATION FORM

The Community Development Commission's (Commission) solicitation for this contract/purchase order (Request for Proposal or Invitation for Bid) is subject to the Commission's Contractor Employee Jury Service Program (Program). All bidders or proposers, whether a contractor or subcontractor, must complete this form to either 1) request an exemption from the Program requirements or 2) certify compliance. Upon review of the submitted form, the Commission will determine, in its sole discretion, whether the bidder or proposer is exempted from the Program.

Company Name:		
Company Address:		
City: Code:	State:	Zip
Telephone Number:		
Solicitation For (Type of Goods or Services):		

If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program Is Not Applicable to My Business

- My business does not meet the definition of "contractor," as defined in the Program as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more Commission contracts or subcontracts (this exemption is not available if the contract/purchase order itself exceeds \$50,000). I understand that the exemption will be lost and I must comply with the Program if my revenues from the Commission will exceed an aggregate sum of \$50,000 in any 12-month period.
- My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, is \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exemption will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

"Dominant in its field of operation" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

- My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

OR

Part II - Certification of Compliance

- My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Print Name:	Title:
Signature:	Date:



CHARITABLE CONTRIBUTIONS CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act, which regulates those receiving and raising charitable contributions.

CERTIFICATION

YES **NO**

Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a Community Development Commission (CDC) and/or Housing Authority contract, it will timely comply with them and provide the CDC and/or Housing Authority a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

() ()

OR

YES **NO**

Proposer of Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.

() ()

Signature

Date

Name and Title (please type or print)

CERTIFICATION OF NO CONFLICT OF INTEREST

CONTRACTS PROHIBITED

The Community Development Commission of the County of Los Angeles (Commission), shall not contract with, and shall reject any proposal(s) submitted by, the persons or entities specified below, unless the Executive Director finds that special circumstances exist which justify the approval of such contract:

1. Employees of the Commission for which the Commission is the governing body;
2. Profit-making firms or businesses in which employees described in number 1 serve as officers, principals, partners, or major shareholders;
3. Persons who, within the immediately preceding 12 months, came within the provisions of number 1, and who:
 - a. Were employed in positions of substantial responsibility in the area of service to be performed by the contract; or
 - b. Participated in any way in developing the contract or its service specifications; and
4. Profit-making firms or businesses in which the former employees, described in number 3, serve as officers, principals, partners, or major shareholders.

Contracts submitted to the Executive Director for approval shall be accompanied by an assurance by the submitting division that these provisions have not been violated.

Print Contractor Name

Print Contractor Official Title

Official's Signature

Date

Dear Supplier/Contractor:

The Community Development Commission (CDC) of the County of Los Angeles is inviting vendors to be added to its Vendor List. In order to receive business opportunities, please complete and return the attached forms and mail to: Community Development Commission, Attn: Central Services Vendor List, 2 Coral Circle, Monterey Park, CA 91755, or fax to (323) 890-8578. For your convenience, you may also access this application online at: <http://www.lacdc.org/partners/Business/forms.shtm>.

The CDC is required to comply with the Federal Tax Information Regulations, thus your taxpayer identification number or social security number must be on file via the W-9 Taxpayer Identification Number and Certification form that is included in this packet. Payment on invoices may be held if your W-9 form is not returned. If you have already supplied the CDC with this information, please disregard this request. All information provided will be kept confidential.

Vendors having completed and returned the above information to the CDC will be provided with the opportunity to bid as requests for bids or proposals become available in their area of expertise. In the event of a bid in excess of \$25,000, notices will be mailed to vendors in the specific category from which bids are being requested. Bids that are estimated to be less than \$25,000 require a minimum of three vendor quotations, which may be obtained either verbally or in writing. Additionally, the County of Los Angeles lists bid and contracting opportunities for all 37 county departments for all procurements of \$10,000 or more, on the Internet, at: <http://lacounty.info> under "Business – Doing Business With Us."

It is the policy of the CDC to assure equal opportunity in the award and performance of any contract, to all persons, without regard to race, color, sex, religion, natural origin, ancestry, age marital status, and physical or mental disability. This policy involves an aggressive outreach program for services including procurement, service and professional contracts, as well as construction contracts.

If you have any questions, you may contact Keffenie Beyl, Analyst, at (323) 890-7339. For questions regarding the W-9 form, please contact our Purchasing Department at (323) 890-7330 between the hours of 8:00 am and 5:00 pm.

Sincerely,


BEN MARTINEZ, Manager
Central Services Unit


KEFFENIE BEYL, Analyst

BM:kb
Attachments

Revised 3/7/05



Community Development Commission of the County of Los Angeles

Vendor Application

Please complete the information as completely as possible with a separate application for each company and return with the Organization Information Form and W-9 to:

Community Development Commission
Attn: Central Services Vendor List
2 Coral Circle • Monterey Park, CA 91755-7425
Phone: (323) 890-7339 • Fax: (323) 890-8578

- New Applicant
Update of Company's Information

FOR OFFICE USE ONLY
Received:
Vendor Number:
Date:
Updated By:

Name of Company:
Contact Person:
Company Address:
Billing Address/Remit To:
Phone Number Fax Number Email:
Federal I.D. No. Social Security No. Federal Non-Profit No.

TYPE OF OWNERSHIP (check all applicable)
Sole Proprietorship Partnership Corporation Non-Profit Franchise Limited Liability Company
Other

TYPE OF BUSINESS (check all applicable)
Manufacturer Distributor Construction Contractor Consultant Broker/Agent Vendor
Other

PRODUCTS/SERVICES PROVIDED
Please review the attached Vendor Commodity Codes List and select the codes, which apply to the type(s) of product(s) and/or service(s) provided by your company.
Table with 4 columns: CODE, PRODUCT/SERVICE, CODE, PRODUCT/SERVICE

THE INFORMATION PROVIDED IS HEREBY TRUE AND ACCURATE BASED ON FACTS AVAILABLE AS OF THIS DATE.
Signature Title Date
(Application is NOT valid unless signed and dated)



COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES

VENDOR COMMODITY CODES

Please choose the appropriate Commodity Code (s) and enter on the CDC Vendor Application under "Products/Services Provided."

Commodity types have been coded as follows:

CO - Contractors SE - Services SU - Supplies
EQ - Equipment MA - Materials PR - Professional Services/Consultants

In the case that the product and/or service that your company provides is not included on this list, please identify under the "Code" section the commodity type as coded above and write in the description of your business.

SE.092 ACCOUNTING SERVICES	SE.116 CARPET DAMAGE RESTORATION	CO.007 DRYWALL CONTRACTOR
SE.001 ADVERTISING	SE.012 CAR WASHING / DETAILING	PR.017 ECONOMIC DEVELOPMENT CONSULTANT
SU.049 AIR CLEANER SUPPLIES	CO.004 CARPENTRY	CO.008 ELECTRICAL CONTRACTOR
SE.089 AIR CLEANING SERVICES	SE.013 CARPET / FLOOR CLEANING	PR.018 ELECTRICAL ENGINEER
EQ.001 AIR CONDITIONERS-EQUIPMENT	MA.003 CARPET, RUGS	SU.014 ELECTRICAL SUPPLIES
CO.001 AIR CONDITIONING CONTRACTOR	EQ.056 CASH REGISTERS	CO.009 ELEVATOR CONTRACTOR
PR.079 AIR QUALITY CONSULTANTS	SE.014 CATERING	SE.023 ELEVATOR MAINTENANCE SERVICE
SE.002 ALARMS/SECURITY	SE.015 CELLULAR PHONE SERVICE	SU.015 EMBROIDERED SHIRTS, ETC
SE.003 AMBULANCE SERVICES	EQ.008 CELLULAR PHONES	EQ.015 EMERGENCY EQUIPMENT
SE.099 ANSWERING SERVICES	EQ.057 CHEMICAL STORAGE UNITS	PR.058 ENERGY CONSERVATION CONSULTANT
SE.088 APARTMENT MANAGEMENT	EQ.009 CHILD CARE EQUIPMENT	PR.053 ENERGY CONSULTING
MA.024 APPLIANCE PARTS	CO.005 CIVIL ENGINEERING CONTRACTOR	CO.028 ENGINEERING CONTRACTOR A LICENSE
EQ.002 APPLIANCES	PR.009 CIVIL ENGINEERS	SE.024 ENVELOPE PRINTING
PR.082 APPRAISALS, EQUIPMENT	SE.016 COLLECTION SERVICES	SU.050 ENVELOPE SUPPLIER
PR.001 APPRAISALS, PROPERTY	PR.074 COLOR CODING SYSTEMS	PR.019 ENVIRONMENTAL ANALYSIS
PR.002 ARCHITECTS	EQ.010 COMMUNICATION SYSTEMS	PR.069 ENVIRONMENTAL WASTE CONTROL
PR.003 ARCHITECTURAL DESIGN CONSULTANT	PR.010 COMPUTER CONSULTING	EQ.016 EQUIPMENT RENTALS
PR.046 ASBESTOS CONSULTANT	SE.106 COMPUTER DISK DATA RECOVERY	SE.087 EQUIPMENT REPAIR
CO.002 ASBESTOS CONTRACTOR	SE.107 COMPUTER DRAFTING SERVICES	CO.010 EXCAVATING CONTRACTOR
SU.001 AUDIO TAPES	EQ.011 COMPUTER FURNITURE	SE.025 ESCROW SERVICES
EQ.003 AUDIO/VISUAL EQUIPMENT	EQ.013 COMPUTER HARDWARE	SE.026 EVICTION SERVICES
SE.004 AUDIO/VISUAL REPAIR	SE.017 COMPUTER MAINTENANCE / REPAIR	PR.083 EXPERT WITNESS SERVICES
SE.112 AUDIO/VISUAL RENTAL	SU.011 COMPUTER PAPER	PR.020 FACILITIES MAINTENANCE
PR.005 AUDITING FINANCIAL	EQ.012 COMPUTER PRINTERS	PR.076 FACILITY MANAGEMENT SERVICE
EQ.050 AUTO EQUIPMENT	PR.063 COMPUTER PROGRAMMING	SU.016 FAX MACHINE SUPPLIES
SU.002 AUTO GLASS	SU.008 COMPUTER RIBBON SUPPLIER	EQ.017 FAX MACHINES
SU.003 AUTO PARTS	SU.009 COMPUTER SOFTWARE	CO.011 FENCING CONTRACTOR
SE.005 AUTO SERVICE	SU.010 COMPUTER SUPPLIES	MA.005 FIBERGLASS
EQ.004 AUTOMOBILES	PR.011 COMPUTER TRAINING	PR.070 FILE CONVERSION SERVICES
SU.004 AWARDS/TROPHIES	CO.006 CONCRETE / ASPHALT CONTRACTOR	PR.072 FILING SYSTEMS
MA.001 AWNINGS	PR.012 CONFERENCE / SEMINAR PLANNING	SE.027 FILM PROCESSING
SE.006 BACKFLOW DEVICE INSPECTION SVC	PR.065 CONFERENCE / MEETING LOCATION	PR.021 FINANCIAL CONSULTANT
PR.052 BANKING SERVICES	SE.115 CONSTRUCTION CHUTES SERVICES	SE.028 FIRE ALARM TESTING
SU.054 BANNERS	SE.086 CONSTRUCTION INSPECTION SERVICES	EQ.020 FIRE ALARMS
PR.073 BAR CODE SYSTEMS	PR.013 CONSTRUCTION MANAGEMENT	SE.029 FIRE EXTINGUISHER TESTING
CO.047 BATH REFINISHING	EQ.014 COPY MACHINE	EQ.018 FIRE EXTINGUISHERS
EQ.005 BICYCLE PARKING RACKS	SU.012 COPY MACHINE SUPPLIES	PR.022 FIRE PREVENTION
PR.006 BID BROKERS/BUSINESS DEVELOPMENT	SE.018 COPYING / INSTANT PRINTING	EQ.019 FIRE SPRINKLER SYSTEMS
SU.005 BINDERS	PR.014 CPR TRAINING	SU.017 FIRST AID SUPPLIES
SE.007 BINDERY SERVICES	SE.019 CREDIT INFORMATION SERVICES	CO.012 FLOOD CONTROL SYSTEMS / SEWER
SE.120 BIOHAZARD CLEAN-UP	SE.121 CRIME SCENE/TRAUMA CLEAN-UP SERVICES	MA.006 FLOOR COVERING
SE.008 BLUEPRINTING	SE.102 CUSTOM FURNITURE	CO.013 FLOORING CONTRACTOR
SU.006 BLUEPRINTING SUPPLIES	SE.020 DAY CARE SERVICES	SE.030 FLORISTS
CO.003 BOARD UP SERVICES	SU.013 DECALS, BUMPER STICKERS	EQ.021 FOLDING CHAIRS, TABLES
EQ.006 BOILERS	SE.119 DEMOLITION	SE.105 FOOD SERVICE SUPPLIES
PR.007 BOND COUNSEL	SE.021 DESK TOP PUBLISHING	CO.049 FOUNDATION / DRILLING CONTRACTOR
PR.057 BOND UNDERWRITING	PR.015 DEVELOPERS	CO.014 FRAMING CONTRACTOR
SU.007 BOXES (SHIPPING, STORAGE, GIFTS)	PR.016 DEVELOPMENT ENGINEERING	SE.031 FURNITURE REFINISHERS
MA.002 BUILDING MATERIALS	SE.022 DISASTER PLANNING SERVICE	EQ.022 FURNITURE, OFFICE
SE.009 BUSINESS CARD PRINTERS	EQ.060 DISPLAYS, TRADESHOW / CONFERENCE	MA.007 GARAGE / ROLL-UP DOORS
PR.008 BUSINESS VALUATIONS	SE.117 DOCUMENT IMAGING	MA.008 GARBAGE DISPOSALS
SE.010 BUSING	SE.108 DOCUMENT STORAGE	SU.048 GASOLINE
MA.025 CABINETS	MA.004 DOORS	CO.015 GENERAL CONSTRUCTION CONTRACTOR
SE.011 CABLE TV SERVICE	SU.043 DRAFTING SUPPLIES	CO.016 GENERAL CONTRACTORS B LICENSED
EQ.007 CALCULATORS / ADDING MACHINES	MA.023 DRINKING FOUNTAINS	PR.023 GENERAL DESIGN ENGINEERING

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CO.045 GEOTECHNICAL ENGINEERING CONTR
 MA.009 GLASS SUPPLIES & FABRICATION
 SE.032 GRAFFITI REMOVAL
 SE.033 GRAPHIC DESIGNERS
 SU.018 GRAPHIC SUPPLIES
 EQ.055 HAND DRYERS
 MA.010 HARDWARE
 CO.017 HAULING
 PR.049 HAZARDOUS WASTE CONSULTANT
 CO.018 HAZARDOUS WASTE REMOVAL
 SE.034 HEALTH/FITNESS SERVICES
 SU.019 HEALTHCARE PRODUCTS
 CO.019 HEATING CONTRACTOR
 SE.118 HOUSING SERVICES
 EQ.051 HVAC EQUIPMENT
 MA.011 HVAC SUPPLIES
 EQ.023 INDUSTRIAL EQUIPMENT
 MA.021 INDUSTRIAL MATERIALS
 SU.047 INDUSTRIAL SUPPLIES
 SE.035 INSPECTION, PROPERTY
 CO.020 INSULATION
 SU.020 INSULATION SUPPLIES
 PR.024 INSURANCE
 MA.012 IRON
 CO.021 IRRIGATION CONTRACTORS
 SE.036 IRRIGATION SERVICES
 SU.021 IRRIGATION SUPPLIES
 CO.022 JANITORIAL CONTRACTORS
 SU.022 JANITORIAL SUPPLIES
 EQ.024 KITCHEN EQUIPMENT
 EQ.059 LABEL DISPENSERS
 SE.037 LAMINATION
 EQ.049 LAMPS
 PR.025 LANDSCAPE ARCHITECTURE
 CO.023 LANDSCAPE CONTRACTOR
 EQ.039 LANDSCAPE EQUIPMENT
 SE.038 LANDSCAPE MAINTENANCE
 SU.023 LANDSCAPE SUPPLIES
 PR.062 LANGUAGE CONSULTANT
 SE.039 LAUNDRY EQUIPMENT SERVICES
 PR.080 LEAD ABATEMENT CONSULTANT
 CO.050 LEAD ABATEMENT CONTRACTOR
 SE.040 LEAD-BASED PAINT TESTING
 PR.026 LEGAL SEC / COURT RECORDING
 PR.004 LEGAL SERVICES
 CO.048 LENNOX CONTRACTORS
 SU.024 LIGHTING SUPPLIES
 SE.114 LINEN CHUTES SERVICES
 SU.044 LOCKS
 SE.082 LOCKSMITH
 SE.041 LOT CLEAN-UP
 PR.027 LOW / MOD INCOME HOUSING DEVELOP
 MA.013 LUMBER
 SE.080 MACHINING
 EQ.047 MAILING EQUIPMENT
 SE.042 MAILING SERVICES
 SU.025 MAILING SUPPLIES
 PR.050 MANAGEMENT CONSULTING
 PR.066 MANUFACTURED HOUSING
 PR.047 MARKETING
 CO.024 MASONRY CONTRACTOR
 PR.056 MECHANICAL ENGINEERING
 CO.046 MECHANICAL ENGINEERING CONTRACTOR
 PR.081 MEDIATION/ARBITRATION SERVICES
 SU.026 MEDICAL SUPPLIES
 PR.029 MENTAL HEALTH COUNSELING
 SE.043 MESSENGER SERVICES
 MA.014 METAL SHELIVING
 SU.027 MICROFICHE SUPPLIES
 EQ.025 MICROFILM EQUIPMENT
 SE.044 MICROFILM SERVICE
 SE.045 MOVING COMPANIES
 SE.094 MWBE AGENCIES
 SE.084 NEWSPAPER CLIPPINGS SERVICES
 EQ.052 OFFICE EQUIPMENT

SE.090 OFFICE EQUIPMENT MAINTENANCE
 SU.028 OFFICE SUPPLIES
 PR.071 OPTICAL IMAGING
 EQ.027 OUTDOOR FURNITURE
 EQ.026 OUTDOOR POWER EQUIPMENT
 EQ.028 PAGERS & PAGING SYSTEMS
 MA.015 PAINT
 SE.046 PAINT / BODY AUTO
 CO.025 PAINTING CONTRACTOR
 SU.055 PAINTING SUPPLIES
 CO.026 PAPER
 SE.047 PAPER RECYCLING
 PR.068 PARALEGAL
 PR.054 PARKING CONSULTANT
 SE.048 PARKING LOT STRIPING
 EQ.029 PARTITIONS
 SU.029 PARTY RENTALS / SUPPLIES
 CO.027 PAVING CONTRACTOR
 PR.030 PERSONNEL DEVELOPMENT CONSULTANT
 SE.049 PEST & TERMITES CONTROL
 SE.091 PHARMACEUTICAL SERVICES
 SU.030 PHOTO EQUIPMENT & SUPPLY
 EQ.053 PHOTO ID EQUIPMENT
 EQ.030 PHOTOCOPIERS
 EQ.054 PHOTOGRAPHIC EQUIPMENT
 SU.046 PHOTOGRAPHIC SUPPLIES
 SE.050 PHOTOGRAPHY
 PR.031 PHYSICAL EXAMS
 SE.085 PICTURE FRAMING SERVICES
 CO.030 PIPELINES / SEWERS CONTRACTOR
 PR.032 PLANNING LAND USE
 MA.016 PLANT & TREE NURSERY
 CO.031 PLUMBING CONTRACTOR
 SU.031 PLUMBING SUPPLIES
 SU.041 POLICE / SECURITY PRODUCTS
 EQ.031 PORTABLE STORAGE / OFFICES
 SE.078 PORTABLE TOILET RENTAL
 EQ.032 POSTAL EQUIPMENT
 SE.051 PRESORT MAIL SERVICES
 SE.123 PRESSURE WASHING
 EQ.033 PRINTING EQUIPMENT
 SE.052 PRINTING SERVICES
 SU.032 PRINTING SUPPLIES
 PR.033 PRIVATE INVESTIGATIONS
 SU.033 PROMOTIONAL ITEMS
 PR.034 PROPERTY MANAGEMENT
 PR.059 PUBLIC RELATIONS
 PR.055 PUBLIC RELATIONS CONSULTING
 MA.022 PUBLICATIONS
 SE.124 RAIN GUTTER CLEANING
 SU.034 RAINGUTTER SUPPLIES
 PR.035 REAL ESTATE BROKERS
 PR.064 REAL ESTATE LIEN SERVICE
 SE.083 REAL ESTATE SERVICES
 SE.054 RECORDS DESTRUCTION SERVICE
 PR.036 RECORDS MANAGEMENT CONSULTING
 PR.075 RECORDS RETENTION
 SE.053 RECORDS STORAGE
 SU.045 RECORDS STORAGE SUPPLIES
 EQ.034 RECREATIONAL EQUIPMENT
 SE.097 RECYCLING SERVICES
 PR.060 REDEVELOPMENT CONSULTANT
 CO.032 REFRIGERATION
 CO.033 REFUSE REMOVAL
 SE.055 REHABILITATION SERVICES
 PR.037 RELOCATION ASSISTANCE
 SE.110 REMANUFACTURING TONER CARTRIDGES
 CO.034 REMODELING CONTRACTORS
 SE.056 REUPHOLSTERY / REFINISHING
 CO.035 ROOFING CONTRACTOR
 SU.035 ROOFING SUPPLIES
 SU.036 RUBBER STAMPS
 PR.048 SAFETY CONSULTANT
 EQ.035 SAFETY EQUIPMENT
 SU.037 SAFETY SUPPLIES

SE.103 SANDBLASTING / HYDROBLASTING
 PR.051 SECURITY CONSULTING
 SE.057 SECURITY GUARDS
 SE.058 SECURITY SERVICES
 SE.081 SEISMIC CONSULTANTS
 EQ.036 SEWER CLEANING EQUIPMENT
 SE.059 SEWER / DRAIN CLEANING
 CO.036 SHEET METAL CONTRACTOR
 SU.038 SIGNS
 SE.060 SILKSCREENING
 SU.053 SMOKE DETECTORS
 CO.037 SOILS TESTING / ENGINEERING
 PR.038 SOLAR CONSULTANT
 EQ.037 SOLAR EQUIPMENT
 PR.039 SPACE PLANNING CONSULTANT
 SU.039 SPORTING GOODS
 PR.067 STOCKBROKER
 SU.052 STOVE PARTS / SUPPLIES
 PR.040 STRUCTURAL ENGINEERING
 MA.017 STRUCTURAL STEEL
 CO.038 SURVEYING, CONSTRUCTION
 EQ.058 TDDS
 PR.041 TECHNICAL WRITING
 SE.098 TELECOMMUNICATION SERVICES
 EQ.038 TELEPHONE EQUIPMENT
 SE.061 TEMPORARY EMPLOYMENT AGENCIES
 CO.039 TILE CONTRACTOR
 SE.062 TIME / ALARM CLOCK MAINTENANCE
 EQ.048 TIME / ALARM CLOCKS
 MA.018 TIRES
 MA.019 TOOLS
 SE.063 TOWING
 PR.042 TRAFFIC ENGINEERING
 PR.043 TRAINING
 SE.064 TRANSLATION SERVICES
 SE.113 TRASH CHUTES SERVICES
 SE.065 TRAVEL AGENCY SERVICES
 SE.066 TREE TRIMMING & REMOVAL
 SE.101 TRUCKING
 SE.093 TRUCKING SERVICES
 EQ.040 TRUCKS
 EQ.041 TV / ANTENNAS
 SE.087 TYPESETTING
 SE.068 TYPEWRITER MAINTENANCE
 EQ.042 TYPEWRITERS
 SE.079 UNDERGROUND TANK MANAGEMENT
 CO.040 UNDERGROUND TANKS
 SE.069 UNIFORMS
 SE.070 UPHOLSTERERS
 SE.072 UPHOLSTERY, AUTO
 SE.071 UPHOLSTERY / DRAPERY CLEANING
 PR.044 URBAN DESIGN
 SE.073 VACANT UNIT PREPARATION
 EQ.043 VACUUM CLEANERS
 SU.040 VEHICLE PARTS
 SE.075 VEHICLE RENTAL
 EQ.044 VEHICLE SALES
 SE.074 VEHICLE SERVICE
 EQ.045 VIDEO EQUIPMENT
 SE.076 VIDEO PRODUCTION
 SE.111 VIDEO TAPE DUPLICATION
 PR.077 WAGE PREVALENCE COMPLIANCE
 PR.061 WASTE MANAGEMENT CONSULTING
 PR.045 WASTE MANAGEMENT ENGINEERING
 SU.051 WATER PURIFICATIONS
 SE.104 WATER, BOTTLED
 CO.041 WATERPROOFING CONTRACTOR
 CO.042 WELDING CONTRACTOR
 EQ.046 WELDING EQUIPMENT
 SU.042 WINDOW COVERINGS
 SE.122 WINDOW REPAIR
 SE.077 WINDOW WASHING
 MA.020 WINDOWS
 SE.096 WORD PROCESSING
 CO.043 WRECKING
 CO.044 WROUGHT IRON CONTRACTOR

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**Request for Taxpayer
 Identification Number and Certification**

**Give form to the
 requester. Do not
 send to the IRS.**

Print or type
 See Specific instructions on page 2.

Name (as shown on your income tax return)	
Business name, if different from above	
Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor	<input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶
<input type="checkbox"/> Exempt from backup withholding	
Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number								

or

Employer identification number								

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.socialsecurity.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

Community Development Commission of the County of Los Angeles

Organization Information Form

I. FIRM/ORGANIZATION INFORMATION Please copy and forward this document to subcontractors for them to complete as well. Contractors/Vendors are selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

NAME OF FIRM: _____

Business Structure: Sole Proprietorship Partnership Corporation Non-Profit
 Franchise Other (Please Specify) _____

Total Number of Employees (including owners): _____

Race/Ethnic Composition of Firm. Distribute the above total number of employees into the following categories:

Race/Ethnic Composition	Owners/Partners/ Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
African American						
Hispanic American						
Asian American						
Asian Pacific American						
Native American						
Caucasian						
Other _____						

II. MINORITY OR WOMEN-OWNED BUSINESS ENTERPRISE REPRESENTATION

This firm/organization:

EXHIBIT "F" TO MASTER LEASE – SUPPORTIVE SERVICES

(HAVE REQUESTED INFO FROM NEW ECONOMICS FOR WOMEN)

EXHIBIT "G" TO MASTER LEASE –OPTION AGREEMENT
REAL ESTATE OPTION AGREEMENT AND RECEIPT FOR DEPOSIT

Community Development Commission
of the County of Los Angeles
Monterey Park, CA 91755

This Real Estate Option Agreement and Receipt For Deposit ("Agreement") is made and entered into this ____ day of _____, 2009, by and between the Community Development Commission of the County of Los Angeles, a public body corporate and politic ("Optionor" or "Seller") and New Economics for Women, a California non profit public benefit corporation ("Optionee" or "Buyer").

In consideration of the non refundable (except as set forth herein) sum of TEN THOUSAND dollars (\$10,000) to be applied toward the purchase price of the property described herein and to be deposited into escrow as provided herein, the receipt of which is hereby acknowledged, Optionor, the owner of real property located at 895 North Bonnie Beach Place, Los Angeles, California, and legally described as: SEE ATTACHED LEGAL DESCRIPTIONS. APN# 5227-025-901, hereinafter referred to as "Property", and Optionee, do hereby agree as follows:

1. GRANT OF OPTION. This Agreement shall constitute an option affording Optionee the exclusive right to acquire the Property subject to the terms and conditions contained herein, for the period of this Agreement.

2. PERIOD AND EXECUTION OF OPTION. This offer shall be irrevocable for a period of 2 years from the date this Agreement is executed by both parties hereafter referred to as ("Agreement Term"). Notwithstanding the foregoing, in the event the Optionee has breached any of the terms or conditions of the Master Lease or Property Management Agreement, which are executed concurrently herewith and said Master Lease and/or Property Management are terminated pursuant to the terms thereof, then Optionor may, upon written notice to Optionee, terminate this Agreement. Optionee is hereby granted the right to extend the term of this Agreement for a subsequent additional sixty-day period ("Extension"), provided all of the following conditions are met:

(a) Optionee, in consideration for the right to extend the term of this Agreement for the Extension period, shall deposit an additional non refundable sum of FIVE THOUSAND dollars (\$5,000) into the escrow account for the Extension period. All monies paid by Optionee shall be applied toward the purchase price of the Property;

(b) Optionee shall give Optionor written notice electing to extend the term of this Agreement, which notice shall be delivered not later than five (5) working days prior to the expiration of the then existing term; and

(c) Optionee or any of its assignees is not then in breach of any of the terms or conditions of the Master Lease or Property Management Agreement.

Should the Optionee fail to exercise the right to extend the then existing term as provided for above, this Agreement shall automatically terminate at the end of such term subject to the provisions hereof.

Upon expiration or termination of this Agreement and Optionee not exercising its option to purchase the Property, all monies deposited into escrow by Optionee shall become the property of Optionor.

3. PURCHASE PRICE. The purchase price shall be the greater of: fair market value or total outstanding debt amount secured by the property, unless otherwise mutually agreed to in writing by the parties. Payment of the purchase price (net of any assumed debt) shall be in lawful money of the United States and shall be paid to Optionor upon transfer of marketable title to Optionee.

4. CONTINGENCIES. The exercise of this option is subject to the following conditions:

(a) Optionor will be responsible for securing all necessary financing for site acquisition within the Term of this Agreement.

(b) Optionor will be responsible for maintaining the property during the option and escrow period.

(c) Neither Optionee nor any of its assignees shall be in breach of the Master Lease or the Property Management Agreement at the time of the exercise of the Option.

5. EXERCISE OF OPTION. Optionee's election to exercise this option is subject to: (a) authorization of the Board of Commissioners of the Community Development Commission of the County of Los Angeles, and (b) environmental clearance and release of funds by the United States Department of Housing and Urban Development.

In the event the required approvals in the first paragraph of Section 5 are not granted by the necessary agencies, within the Agreement Term or any option Extension, Optionee may immediately terminate this Agreement and the deposit in escrow shall be returned to Optionee with the exception of any amounts paid pursuant to Section 2 of this Agreement.

Such approvals and authorizations described in Section 5 (a) and (b) hereof shall be obtained within the Agreement Term or the prescribed Extension. Should such approvals and authorizations not be obtained within the Agreement Term or the prescribed Extension, nothing herein shall obligate Optionor to further extend the option period, and Optionee shall be refunded its entire deposit except any amounts paid pursuant to Section 2 of this Agreement. In the event that such approvals and authorizations are obtained, and Optionee subsequently terminates this Agreement,

Optionor and Optionee agree that as Optionor's sole remedy, Optionor shall retain all monies deposited into the escrow account by Optionee. The payment of such sums as described above shall satisfy all of Optionee's duties and obligations under this Agreement and Optionor shall not be entitled to additional relief of any kind, including but not limited to any damages which may arise hereafter from this Agreement.

Optionee may exercise this Option by delivery of a written document stating Optionee's intent to exercise this option and to purchase the property in accordance with the terms and conditions of this Agreement.

6. REPRESENTATIONS. Optionor hereby represents:

(a) Optionor is the owner of and has full right, power and authority to sell, convey and transfer the herein described property to Optionee and to carry-out Optionor's obligations hereunder.

(b) Based upon Optionor's knowledge, the Property is as represented as to size and zoning.

(c) Optionor has good and marketable title in fee simple to the Property, free of any liens, encumbrances, restrictions or easements, except those to be shown in the Preliminary Title Report.

(d) No person, firm or entity has any right, title or interest in the Property other than what is set forth in the Preliminary Title Report.

(e) No actions, suit or proceedings have been instituted or are threatened which would materially affect the Property, at law or in equity. Optionor further represents that there are no off-record items which affect title or utility of the Property.

(f) All of the documents, information and records provided by Optionor, or its agent, in compliance with the terms and conditions contained herein shall be true and accurate information except as otherwise noted to Optionee by Optionor in writing.

7. ESCROW. Optionee agrees to open an escrow in accordance with this Agreement at an escrow company to be designated by Optionor. Upon Optionee's election to exercise this option, this Agreement constitutes the joint escrow instructions of the Optionor and Optionee, and the escrow agent to whom these instructions are delivered is hereby empowered to act under this Agreement. Time is of the essence of these instructions. The escrow agent is authorized to:

(a) Credit Optionee's account in the amount of TEN THOUSAND dollars (\$ 10,000), including monies applied in Section 2(a), if applicable, toward the sales price of the property. This amount is the consideration paid to Optionor by Optionee for this Agreement.

(b) Convey from Optionor an executed grant deed in favor of Optionee, or its assignee or nominee, transferring to Optionee a good and marketable fee simple title thereto, together with all improvements and appurtenances thereunto belonging, free and clear of all liens, easements, restrictions, delinquent taxes and assessments, leases and encumbrances of any kind, existing and inchoate, together with all of Optionor's rights, title and interest in and to any streets, alleys or easements adjoining or abutting thereto.

(c) Complete any and all documents and satisfies any terms or conditions as may be stated herein for a complete escrow.

(d) Disbursement of funds to Optionor is subject to the above instructions and delivery of deed to Optionee when both parties have fulfilled all conditions of this escrow.

(e) Pay and charge Buyer for all the Buyer's escrow fees, charges and costs which arise in this escrow.

(f) Pay and charge Seller for all the Seller's escrow fees, charges and costs which arise in this escrow.

(g) Pay and charge Seller for any unpaid delinquent taxes and/or penalties and interest thereon, and for any delinquent or non-delinquent assessments, or bonds against the property.

(h) Escrow Agent is not to be concerned with the pro-ration of Seller's taxes for the current fiscal year if this escrow closes between July 1st and November 1st unless current tax information is available from the title insurer between October 15th and November 1st. In the event tax information is available, Seller's taxes shall be pro-rated in accordance with Paragraph 7(i) below. From July 1st to November 1st, when tax information is not available, as hereinabove set forth, Seller's pro-rata portion of taxes due to close of escrow shall be cleared and paid by Seller, outside of escrow.

(i) From the date that tax information becomes available, as per Paragraph 7(h) above, up to and including through June 30th, Seller's current taxes, if unpaid, shall be pro-rated to date of close of escrow on the basis of a 365-day year in accordance with the County Tax Collector's pro-ration requirements, together with penalties and interest, if said current taxes are unpaid after December 10th and /or April 10th. Prior to the close of escrow, the Seller's obligation for pro-ration of the taxes shall be deducted from Seller's proceeds by Escrow and paid to the County Tax Collector.

(j) Any taxes which have been paid by Seller, prior to the opening of this escrow, shall not be pro-rated between Buyer and Seller, but Seller shall have the sole right, after close of escrow, to apply to the County Tax Collector of the County of Los Angeles for refund of such taxes as may be due Seller for the period after Buyer's acquisition pursuant to Section 5096.7 of the California State Revenue and Taxation Code.

8. TITLE INSURANCE. Prior to the close of escrow, the escrow agent shall provide Optionee with a CLTA Standard Coverage Policy of title insurance in the amount of the fair market value of the property issued by a title company designated by Optionor showing the title of said property vested in Optionee, or its assignee or nominee, subject only to the exceptions set forth therein and the printed exceptions and stipulations of said policy. Said policy may, at the option of Optionee, contain special endorsements to assure the delivery of marketable title to Optionee.

9. TAXES, ASSESSMENTS AND COSTS. Real property taxes shall be paid as set forth in Section 7 of this Agreement. Any outstanding special assessments or future installments thereof remaining unpaid against the Property, shall be paid in full at the time of closing by Optionor. Optionor acknowledges and agrees that Optionee shall pay no property brokerage fees.

10. FIRE OR CASUALTY. Loss or damage to said property by fire or casualty shall be at the risk of the Optionor until title has been conveyed to Optionee. Insurance policies for fire and casualty are not transferable and Optionor shall be responsible for canceling any such policies upon transfer of title.

11. ENTIRE AGREEMENT. This instrument contains the entire Agreement between the parties relating to the option herein granted. Any oral representation or modification concerning this Agreement shall be of no force and effect excepting a subsequent modification in writing, signed by both parties. This Agreement cannot be modified, unless it is modified in writing and signed by both parties. This Agreement may not be assigned by Optionee other than to a limited partnership in which Optionee, or an affiliate of Optionee is a general partner. Any attempt by Optionee to assign this Agreement in violation of this Agreement shall cause this Agreement to immediately terminate at the sole election of Optionor.

13. NOTICE. Unless otherwise provided hereto, any notice, tender, or delivery to be given hereunder by either party to the other may be effected by personal delivery in writing or by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed communicated as of the date of personal delivery or two days after mailing.

14. RESERVED.

IN WITNESS HEREOF, the undersigned Optionor and Optionee agree to execute this Real Estate Option Agreement and Receipt for Deposit, pursuant to the terms and conditions as set forth herein.

Dated _____, 20____

HOA.589958.1

OPTIONOR:
COMMUNITY DEVELOPMENT COMMISSION

OF THE COUNTY OF LOS ANGELES

SEAN ROGAN
Executive Director

Dated _____, 20____

OPTIONEE:
NEW ECONOMICS FOR WOMEN

By: _____
Name: _____
Title: _____

Approved as to Form:
Robert E. Kalunian
Acting County Counsel

By: _____
BEHNAZ TASHAKORIAN
Deputy

EXHIBIT "A"

(895 North Bonnie Beach Place, Los Angeles, CA 90063)

Being all of Lot 13 and a portion of Lot 14 of Tract No. 8241, shown on a Map recorded in Book 114, Pages 87 and 88 of Maps, and a portion of the east 5 Acres of Lot "A" of Tract No. 1435, as shown on a Map recorded on Book 18, Page 179 of Maps recorded in the Office of the County Recorder of said County, and is described as follows.

Beginning of the Northeast corner of said Lot 13, said corner being on the Westerly line of N. Bonnie Beach Place (60 feet wide) and shown as Richards Street on said Tract No. 8241; thence along said Westerly line South 00 17' 13" East 95.00 feet to the beginning of a tangent curve concave Northwesterly and having a radius of 15.00 feet; thence Southwesterly along said curve through a central angle of 89 58' 53" an arc length of 23.56 feet to the Northerly line of Rockwood Street (50 feet wide) as shown on Tract No. 8241, thence along said Northerly line of Rockwood Street South 89 41' 40" West 5.00 feet to the Westerly end of said Rockwood Street and the Easterly line of said Lot "A"; thence along said Southerly line North 89 41' 40" East 5.00 feet to the beginning of a tangent curve concave Southwest and having a radius of 15.00 feet; thence Southeasterly along said curve through a central angle of 90 01' 07" and arc length of 23.57 feet to the Westerly line of Said N. Bonnie Beach Place; thence Southerly along said Westerly South 00 17' 13" East 77.00 feet; thence South 89 41' 40" West 220.0 feet; thence North 00 17" 13" West 42.00 feet; thence South 89 41'40" West 122.00 feet to a point on a line that is parallel and 322.00 feet Westerly of the Easterly line of said Lot "A"; thence along said parallel line North 00 17' 13" West 210.00 feet to the Northerly line of said Lot "A"; thence along said Northerly line and the Northerly line of said Lot 13 North 89 41' 40" East 342.00 feet to the true point of beginning.

Assessor's Parcel Number: 5227-025-901

EXHIBIT "H" TO MASTER LEASE –PROPERTY MGMT AGREEMENT

PROPERTY MANAGEMENT AGREEMENT

This Property Management Agreement ("Agreement") is made as of the _____ day of _____, 20_____ between the Community Development Commission of the County of Los Angeles ("Owner") and New Economics for Women, a California non-profit public benefit corporation ("Manager").

WITNESSETH:

In consideration of the terms, conditions, and covenants hereinafter set forth, Owner and Manager hereby mutually agree as follows:

1. **Definitions.** As used in this Agreement:
 - (a) **"Building"** shall mean, collectively, the real property commonly known as Guadalupe Terrace, located at 895 North Bonnie Beach Pl., Los Angeles, CA 90063 and all improvements, developments, appurtenances, and equipment located thereon, including, without limitation, thirty-one (31) dwelling units and a child care center.
 - (b) **"Child Care Center"** shall mean that certain portion of the Building designated as the child care center where child care services are provided.
 - (c) **"Child Care Center Fees"** shall mean revenues collected from persons who utilize the services provided at the Child Care Center.
 - (d) **"Fiscal Year"** shall mean calendar year unless specifically provided to the contrary herein.
 - (e) **"Gross Residential Rents"** shall mean revenues collected from Residential Tenants plus any rental assistance paid to Manager in lieu of or in addition to rents with respect to the Building.
 - (f) **"Master Lease"** shall mean the lease of the Building entered into between the parties, concurrently herewith the execution of this Agreement.
 - (g) **"Mortgages"** shall mean, collectively, all mortgages from time to time encumbering the Building and all promissory notes secured thereby.

- (h) **"Operating Account"** shall mean an account in the Owner's name established by the Manager, at such financial institution selected by Owner.
- (i) **"Operating Deficits"** shall mean any excess of Operating Expense over Operating Income.
- (j) **"Operating Expense"** shall mean all cash expended, reserved, or required for debts or expenses, interest and principal payments on indebtedness, capital expenditures, replacements, or other reasonable requirements (excluding cash expended from capital contributions or for capital transactions) related to the Building.
- (k) **"Operating Income"** shall mean all cash received from operations in the ordinary course of business (excluding capital contributions and net proceeds of capital transactions) related to the Building.
- (l) **"Rent"** shall mean that monthly amount which Residential Tenant is obligated to pay Manager pursuant to the terms of a Residential Lease, plus any and all Child Care Center Fees.
- (m) **"Residential Lease"** shall mean any Residential Lease in which Manager has agreed to let and Residential Tenant has agreed to accept the dwelling unit of the Building identified in the Residential Lease in accordance with the terms of the Residential Lease.
- (n) **"Residential Tenant"** shall mean a person or family occupying a dwelling unit in the Building pursuant to a Residential Lease.

2. Appointment and Acceptance. Owner hereby appoints Manager as the agent for the management of the operations of the Building. Manager accepts the appointment, subject to the terms and conditions set forth in this Agreement. Manager represents that it is experienced in professional management of property of the character and occupancy of the Building and Manager agrees to manage the Building in accordance with the highest professional standards for such property. Manager further acknowledges and agrees that the Child Care Center shall be (i) operated in compliance with all applicable federal, state, county, city, and local laws, rules, ordinances, and regulations, and (ii) operated in accordance with the highest professional standards for a child care center in California.

3. Management Plan. The parties hereto accept the management plan, which is attached hereto as Exhibit 1 and incorporated herein by reference ("Management Plan"). The Management Plan contains a comprehensive and detailed description of the policies and procedures to be followed by Manager in the management of the Building, including, but not limited to, the collection of delinquent rents and charges, and the keeping and maintaining of its books and records in

accordance with generally accepted accounting principles. This Agreement is to be read in conjunction with and not as a limitation upon the specific obligations of Manager as set forth in the Management Plan. Manager agrees to comply with all applicable provisions of the Management Plan, regardless of whether specific reference is made thereto in any particular provision of this Agreement.

4. Meeting with Owner. Manager agrees to confer with Owner and to attend meetings with Owner at any mutually reasonable time or times requested by Owner, but in no event less than monthly, if requested by Owner.

5. Basic Information of Building. Manager represents that it has a complete set of general plans and specifications for the Building and copies of all guarantees and warranties pertinent to construction and fixtures and equipment of the Building. Manager represents that it has thoroughly familiarized itself with the character, location, construction, layout, plan and operation of the Building, and especially the electrical, heating, plumbing, and ventilation system, and all other mechanical equipment in the Building.

6. Marketing. Manager shall carry out all marketing activities, including, but not limited to, Residential Tenant screening interviews prescribed in the Management Plan or approved by Owner in writing.

7. Leasing. Manager shall offer for rent and shall rent the vacant dwelling units in the Building as such vacancies arise. Units shall be made available in accordance with a rent schedule approved in writing by Owner and the leasing guidelines and form of Residential Lease referred to herein below. In addition to the above, the following provisions shall apply:

- (a) Manager shall show dwelling units for rent in the Building to all prospective Residential Tenants.
- (b) Manager shall take and process applications for rentals, including prospective Residential Tenant interviews and credit checks. If an application is rejected, Manager shall promptly give to the applicant a proper written notice stating the reason for rejection.
- (c) Manager shall comply with the low-income housing HOME Program requirements concerning leasing and related matters as set forth in Paragraph 8 hereof.
- (d) Manager shall be responsible for or shall assist Owner in the certification and recertification of Residential Tenants covered by any housing program that may be applicable to the Building following procedures required by the U.S. Department of Housing and Urban Development ("HUD") or other agency.

- (e) Manager shall, subject to prior written approval by Owner of any deviation from Owner approved rent schedule, Residential Lease form, and leasing guidelines, execute all Residential Leases in Manager's name, identified thereon as agent for Owner.
- (f) Manager shall collect and deposit security deposits, if required, in accordance with the terms of each Residential Lease. Manager shall maintain the security deposit account and make disbursements in accordance with the terms of the Residential Lease. The amount of each security deposit shall be as specified in the Management Plan or as approved by Owner in writing. Interest on security deposits shall be paid according to law. Security deposits shall be held by the Manager in a trust account, separate from all other accounts and funds. Such account shall be in the Owner's name and be designated as the "security deposit account."
- (g) Manager shall maintain a current waiting list of prospective Residential Tenants and undertake all arrangements necessary and incidental to the acceptance of rental applications and the execution of Residential Leases. Manager shall list all vacancies at <http://housing.lacounty.gov>. Manager shall outreach to Section 8 voucher holders. Manager shall exercise its best efforts (including, but not limited to, placement of advertising, interview of prospective Residential Tenants, assistance in completion of rental applications and execution of Residential Leases, processing of documents and credit and employment verifications, and explanation of the program and operations of Owner), to effect the leasing of dwelling units, and renewal of Residential Leases.
- (h) Manager shall perform such other acts and deeds requested by Owner as are reasonable, necessary, and proper in the discharge of Manager's rental duties under this Agreement.
- (i) Manager shall prorate the first month's rent collected from a Residential Tenant should the Residential Lease term commence on any other day than the first day of the month.
- (j) Manager shall participate in the inspection of the dwelling unit identified in the Residential Lease together with the Residential Tenant prior to move-in and upon move-out, and shall record in writing any previous damage to the unit and any damage occurring during the Residential Tenant's occupancy.
- (k) Manager shall, unless otherwise agreed by Owner and Manager in writing, (i) comply with the leasing guidelines detailed in the

Management Plan and (ii) use for each Residential Lease the form of Residential Lease agreement attached hereto as Exhibit 2 of the Management Plan without any material changes.

- (l) If the project is a rehabilitation of a pre-1978 built building and contains rental units with one bedroom or more that are expected to be available to Residential Tenants other than the elderly or disabled, then the Manager must provide each prospective Residential Tenant a copy of the Government Printing Office published informational pamphlet entitled Lead-Based Paint: Protect Your Family and a copy of the Lead Hazard Evaluation report on the building prepared by the Owner's environmental consultant. Furthermore, the Manager agrees to indemnify, defend and hold harmless the Owner and its elected and appointed officials, officers, representatives, employees, and agents from and against any and all damages, including, but not limited to attorney's fees incurred by the Owner, for Manager's failure to properly implement this section 7(l).

8. HOME Program Requirements. Manager acknowledges that Owner is required to lease thirty units to Tenants with incomes at 50% or below of median income as defined by the U.S. Department of Housing for the Los Angeles-Long Beach Metropolitan Statistical Area. One unit shall be reserved for a resident manager. Owner shall furnish Manager with written descriptions of such requirements as they relate to Manager's leasing property management and fiscal management duties hereunder. Incident thereto, the following provisions shall apply:

- (a) Manager shall, prior to approving each rental application and prior to allowing prospective Residential Tenant to take occupancy, require each prospective Residential Tenant household to complete, execute and deliver eligibility forms as Owner may require, and shall obtain from each prospective Residential Tenant household employers (if any) the completed and executed form of employer verification, as may be revised by Owner from time to time, and shall perform such other verifications of such Residential Tenant household non-employment income as are necessary or appropriate, in order to provide necessary certification and verification of the amount of such Residential Tenant household's annual family income, family size, and any other information reasonably requested by Owner in writing. The forms of the Residential Tenant household certification and other certification documents shall be furnished by Manager, subject to approval by Owner. Manager shall require each Residential Tenant household to certify in writing as to such matters on an annual basis. Owner shall give Manager advance written notice of such requirements.

Manager shall, prior to leasing units, determine Residential Tenant income eligibility for purposes of the HOME program pursuant to applicable laws. Without Owner's prior written consent, Manager shall not enter into any Residential Lease on behalf of Owner to a Residential Tenant household who fails to meet the income eligibility requirements for the HOME program. Manager shall complete, execute, and deliver to owner annually a true and correct rent roll of all apartment units in the Building in a format acceptable to Owner. Manager shall deliver copies of all Residential Leases, rider certifications, and verifications for units to Owner if requested, and shall deliver copies of annual recertification to Owner within 30 days of Owner's request.

- (b) Owner shall from time to time furnish Manager with a written schedule of maximum rents for the apartments. Without Owner's express prior written consent, Manager shall not enter into any Residential Lease on behalf of Owner at a rental amount less than or exceeding the applicable maximum.
- (c) Manager shall maintain and preserve all written records of Residential Tenant income and household size, and any other information reasonably requested by Owner, throughout the term of the Agreement, and shall turn all such records over to Owner upon the termination or expiration of this Agreement or upon written request of Owner.
- (d) If requested by Owner in writing, Manager shall prepare reports of low-income leasing and occupancy in form acceptable to Owner.
- (e) Manager shall, to the extent such is within the scope of its authority and duties hereunder, comply with all leasing, management, reporting, and similar requirements, whether such requirements are from a monitoring agency or any branch of government or from Owner.
- (f) Manager shall cause the Building to be maintained in compliance with all local health, safety, and building codes to the extent of available funds, and shall promptly give written notice to Owner as identified in section 26 hereof, if Manager receives notice of any such code violation relating to the Building.

9. Collection of Rents, Etc. Manager shall collect when due all Child Care Center Fees, rents, charges, and other amounts receivable on Owner's account in connection with the management and operation of the Building. Such receipts shall be deposited in the Operating Account and controlled by the Manager, separate from all other accounts and funds.

10. Enforcement of Residential Leases. Manager shall make reasonable efforts to secure full compliance by each Residential Tenant with the terms of such Residential Tenant's Residential Lease. Voluntary compliance shall be emphasized, and Manager shall counsel Residential Tenants and make referrals to community agencies in cases of financial hardship or other circumstances deemed appropriate by Manager, all to the end that involuntary termination of tenancies shall be avoided to the maximum extent, consistent with sound management of the Building. Nevertheless, and subject to any applicable procedures prescribed in the Management Plan, Manager may, and shall if requested by Owner, lawfully terminate any tenancy when sufficient cause for such termination occurs under the terms of the Residential Tenant's Residential Lease, including, but not limited to, nonpayment of rent. For this purpose, Manager is authorized to consult with legal counsel to be selected by Manager and approved by Owner and bring actions agreed upon by Owner and Manager for eviction and execute notices to vacate and judicial pleadings incident to such actions; provided however, that Manager shall keep Owner informed of such actions and shall follow such instructions as Owner may prescribe for the conduct of any such action. Reasonable attorneys' fees and other necessary costs incurred in connection with such actions, as determined by Owner, shall be paid out of the Operating Account. Manager shall properly assess and collect from each Residential Tenant, or the Residential Tenant's security deposit, the cost of repairing any damages to the dwelling unit arising during the Residential Tenant's occupancy.

11. Child Care Center. Manager shall operate and maintain the Child Care Center located at the Building in compliance with all judicial decisions, statutes, constitutions, codes, ordinances, resolutions, regulations, rules, laws, administrative orders, or other requirements of any local, municipal, county, state, federal, or other government agency or authority having jurisdiction over the Building or the Child Care Center, including, without limitation, any licensing requirements and any requirements under the Americans with Disabilities Act, in effect either at the time of execution of this Agreement or at any time thereafter, including, without limitation, any regulation or order of a quasi-official entity or body (hereinafter collectively referred to as "Laws"). Manager shall at all times ensure that at least fifty percent (50%) of the children utilizing the Child Care Center shall be children of Residential Tenants who have Residential Leases and are not in default under the Residential Lease and whose Residential Leases have not expired. In the event that Manager does not comply with the terms set forth in this section 11 of this Agreement, Owner shall be entitled, in its sole and absolute discretion, to terminate this Agreement and/or the Master Lease, upon giving thirty (30) days written notice to Manager.

Manager shall not subcontract the operation and maintenance of the Child Care Center to another entity without the prior written approval of Owner, which shall not be unreasonably withheld. Owner and Manager acknowledge that the services currently provided at the Child Care Center are currently subcontracted to Los Angeles Child Care Development Center ("LACCDC"), which has not been approved by Owner. Owner gives its consent for LACCDC to be responsible for operating and maintaining

the Child Care Center, including, without limitation, providing the child care serves at the Child Care Center; provided that Manager submits to the Owner the requested documentation related to LACCDC prior to the execution of this Agreement, and Owner, after having had the opportunity to review the documentation, confirms in writing to Manager that LACCDC has been approved.

12. Maintenance and Repairs by Manager. Manager shall cause the Building to be maintained in a decent, safe, and sanitary condition and in a rentable and tenantable state of repair, all in accordance with the Management Plan and local codes, and Manager otherwise shall maintain the Building at all times in a condition acceptable to Owner, including, but not limited to, performance of cleaning, painting, decorating, plumbing, carpentry, grounds care, general upkeep, and such other maintenance and repair work as may be necessary. In addition to the above, the following provisions shall apply:

- (a) Special attention shall be given to preventive maintenance, and to the greatest extent feasible, the services of regular maintenance personnel shall be used.
- (b) Subject to Owner's prior written approval, Manager shall contract with qualified independent contractors for the maintenance and repair of major mechanical systems, and for the performance of extraordinary repairs beyond the capability of regular maintenance personnel. Manager shall obtain, prior to commencement of any work, written evidence of such contractor's liability and workers compensation insurance and shall obtain lien releases upon completion of repairs, if the extent of work is greater than two thousand dollars (\$2,000.00).
- (c) Manager shall systematically and promptly receive and investigate all service requests from Residential Tenants, take such action thereon as may be justified, and keep records of the same. Manager shall make all reasonable efforts to ensure that emergency requests are received and serviced on a 24-hour basis. Complaints of a serious nature shall be reported to Owner after investigation. Owner shall have the right to receive copies of all service requests and the reports of action taken thereon.
- (d) Manager shall, to the extent within the scope of its authority and duties hereunder, use best efforts to take such action as may be necessary to comply with any and all orders or requirements of federal, state, county, or municipal authorities having jurisdiction over the Building and orders of any board of fire underwriters, insurance companies, and other similar bodies.

- (e) Subject to the provisions of sections 11(f), 15 and 18, hereof, Manager is authorized to purchase all materials, equipment, tools, appliances, supplies, and services necessary for proper maintenance or repair of the Building. Manager shall consult with Owner before making any such purchase if such purchases when combined with other regularly occurring project expenses and/or when combined with outstanding accounts payable from the project's operating account will result in an Operating Account balance of less than two thousand dollars (\$2,000.00).
- (f) Notwithstanding any of the foregoing provisions, the prior approval of Owner shall be required for any one or combination of expenditures exceeding five thousand dollars (\$5,000.00) for any labor, materials, supplies or otherwise that will be required in connection with the related maintenance and repair of a unit or condition in the Building, except for emergency repairs involving manifest danger to persons or property, or required to avoid imminent suspension of any necessary service to the Building. The Manager will abide by the provisions of this section when preparing a unit for re-rental. In the event of emergency repairs, Manager shall notify Owner of the fact promptly, and in no event later than 72 hours from the occurrence of the event.
- (g) Unless receiving written authorization from the Owner, for services and products required for the Building and to be charged to the Building's Operating Account, Manager shall not procure the services of, or purchase from, any business entity that is affiliated with Manager. This restriction applies regardless of the dollar amount of the services or goods in question.

13. Utilities and Services. In accordance with any applicable provisions of the Management Plan, Manager shall make arrangements for water, electricity, gas, sewage, and trash disposal, vermin extermination, decorating, laundry facilities, and telephone service in connection with the Building. All vendor bills will be sent directly to Manager.

14. Personnel. All on-site personnel shall be contracted service providers or employees of Manager and shall be paid from the Operating Account as an expense of the Building. Manager shall at all times have sufficient personnel physically present at the Building for the full and efficient performance of its duties under this Agreement, including physical presence of responsible persons at such times as reasonably may be requested by Owner.

15. Operating Account. The Operating Account shall be controlled by the Manager and shall be governed by the following:

- (a) Funds collected by Manager pursuant to section 9 hereof shall be deposited into the Operating Account.
- (b) Manager shall make disbursements from the Operating Account promptly when payable, in the following order of priority: (i) salaries and other compensation due and payable to the employees referred to in section 13 hereof, together with related payroll taxes; (ii) real estate taxes and assessments, and fire and other hazard insurance premiums, (including any required monthly escrow payments therefore), utilities, interest on the Mortgages, amortization of the principal of the Mortgages, fees, and establishment and maintenance of all required reserve funds; (iii) Management Fees in accordance with this Agreement; (iv) other payments due and payable by Owner as operating expenses incurred pursuant to Owner's approved operating budget and in accordance with this Agreement, and (v) distributions to or at the direction of Owner.
- (c) Upon receipt of written notice from Manager that funds available in the Operating Account are insufficient to pay costs then due pursuant to subparagraph (b) above, Manager shall immediately give written notice of such to Owner. At the same time, Manager shall also provide, and/or make available, to Owner a copy of all of its Records as defined in section 17 below.

16. Operating Budget. Manager shall prepare a recommended annual operating budget for the Building for each Fiscal Year during the term of this Agreement, and shall submit the same to Owner at least ninety (90) days before the beginning of such Fiscal Year. The annual operating budget shall be mutually agreed to by Owner and Manager. Manager shall manage expenses in accordance with the agreed upon annual operating budget. Manager and Owner will promptly notify the other if either of them accounts for, is informed of, or anticipates an increase for any particular item included on the annual operating budget or any project expense for the Building. The operating budget shall be substantially in the form proposed by the Owner. The operating budget shall include a schedule of recommended rents to be charged for each dwelling unit, including recommended rent increases with respect to Residential Lease renewals and new Residential Leases. In preparing each proposed annual operating budget, Manager and Owner shall each use their best efforts to take account of anticipated increases in real estate taxes, utility charges, residential services and other operating costs including all anticipated office and administrative expenses of the Manager that may be considered Project expenses, subject to the approval of the Owner. To the extent feasible, Manager shall support anticipated increases in real estate taxes and utility charges with written evidence or documentation. Proposed annual operating budgets for the Building shall be subject to approval by Owner. Owner shall promptly inform Manager of any changes incorporated on the approved operating budget, and Manager shall make no expenditures in excess of the amounts set forth in

such approved operating budget, for each line item of operation expense itemized, without the prior written approval of Owner, except as permitted pursuant of section 11(f) hereof for emergency repairs involving manifest danger to persons or property, or required to avoid imminent suspension of any services to the Building.

17. Records and Reports. In addition to any requirements specified in the Management Plan or other provisions of this Agreement, Manager shall have the following responsibilities with respect to records and reports:

- (a) Manager shall establish and maintain a system of records, books, and accounts, in accordance with the Management Plan and in a manner satisfactory to Owner. All records, books, and accounts shall be subject to examination at reasonable hours by Owner and/or any authorized representative of Owner.
- (b) Manager shall promptly furnish such additional information as may be reasonably requested from time to time by Owner with respect to the renting and financial, physical, or operational condition of the Building and the Child Care Center.
- (c) Manager shall prepare, execute, and file all forms, reports, and returns required by law in connection with the employment of personnel, unemployment insurance, worker's compensation insurance, disability benefits, Social Security, and other similar insurance, and all other benefits or taxes now in effect or hereafter imposed.
- (d) Manager shall establish Residential Tenant files containing Residential Leases, certification forms, notices, and other documentation as may be required by Owner, any lender or the tax credit program, if and to the extent applicable.
- (e) Manager shall establish files containing the contractual agreements signed by the parents and/or legal guardians of each child that utilizes the services at the Child Care Center. Such files shall also contain that information that is maintained in the normal and ordinary course of providing child care services at a child care center. Such information, shall include, without limitation, emergency medical information, emergency contact information, waivers, contact information for parents and legal guardians, and whether or not that child's parent or legal guardian is a Residential Tenant of the Building. Manager shall also maintain an active log of each child that utilizes the services at the Child Care Center, whether that child's parent or legal guardian is a Residential Tenant, and the current monthly percentage of children (utilizing the

Child Care Center) whose parent or legal guardian is a Residential Tenant.

- (f) Except as may otherwise be expressly provided in this Agreement, all management overhead expenses shall be borne by Manager out of its funds and shall not be treated as Building expenses. No such charges shall be payable as a Building expense unless the Owner has specifically approved such an expense prior to it being charged to the project.
- (g) Manager shall provide Owner with written monthly reports containing and including at least the following: (i) a statement of income and expenses, including variance between actual income and expenses and budget and accounts receivable and payable from the preceding month; (ii) a rent roll/cash receipts form for the previous month, including notation of delinquencies; (iii) a disbursements summary for the previous month; (iv) current bank statements with reconciliation of Operating, Security Deposit, and Reserve Accounts; and a rent roll and the certification from the Manager that each Residential Tenant is a qualified Residential Tenant by the fifteenth (15th) day of the following month.

A statement indicating if there are any Operating Deficits or anticipated Operating Deficits, and if so, the manner in which it is anticipated such deficits will be funded.

- (h) The Manager shall send or cause to be sent to the Owner the following: (i) not later than 60 days after the close of each taxable year, an annual audited financial report of the Building, in each instance containing a balance sheet and statements of income and cash flows as of and for the taxable year then ended prepared in accordance with generally accepted accounting principles, and (ii) any reports provided by Manager pursuant to this Agreement, the preventive maintenance schedule, and any material amendments to the Management Plan.
- (i) The Manager shall also send or cause to be sent to Owner, ninety (90) days prior to the close of each fiscal year, an operating budget for the following fiscal year for the Owner's review and approval. The operating budgets shall include all items of revenues, expenses, costs, fees and funding of reserves which the Manager reasonably believes will occur in the operation of the Building and Child Care Center.

In addition to the above mentioned requirements, Manager shall retain all books, documents, papers, accounting records, rental payment receipts, reports, data,

information, ledgers, accounts receivable, rental agreements, contract with third parties, maintenance records, expenses, costs, liabilities, rents collected, rents owed, vacancy rates, insurance records, tax records, profit and loss statements, and any other agreements related to the Building or Child Care Center, (collectively referred to as "Records") of the Manager, which relate in any way to the Building or Child Care Center. Upon twenty four (24) hours notice and at any and all other times as reasonably requested by Owner, Manager shall provide Owner, and any of its authorized representatives, access to review, inspect, examine, audit, and make copies of the Records. Manager shall provide such access during normal business hours or at any other times as reasonably requested by Owner. Manager is required to retain the Records during the term of this Agreement and for no less than five (5) years after expiration of the term or termination of this Agreement. Manager's, or any of its assignee's or subcontractor's, failure to keep and maintain adequate records, in Owner's sole discretion, shall be deemed a material breach of this Agreement and Owner may elect to terminate this Agreement, upon thirty (30) days written notice to Manager. In the event that Manager assigns any of its rights under this Agreement, then Manager shall require all assignees to comply with the provisions of this section, in favor of Owner, and language substantially similar thereto shall also be incorporated into Manager's agreements with any assignees.

18. Fidelity Bond. Manager shall furnish and maintain, at Manager's sole cost and expense, for the duration of this Agreement and any extensions thereof, plus thirty (30) days after the expiration or termination thereof, separate commercial blanket bond in favor of the Owner, in an amount not less than the sum of one million dollars (\$1,000,000) per occurrence, rated by A.M. Best in a form with a company acceptable to Owner, which commercial blanket bond shall cover Manager and all employees hired by Manager in connection with this Agreement. Such fidelity bond shall cover losses discovered by Owner within (2) years after the occurrence of such losses. Such fidelity bond shall be attached to this Agreement, and such fidelity bond shall contain a written provision that Owner shall be given at least thirty (30) days prior written notice of cancellation. Any deviation from this section 17 shall require Owner's prior written consent.

19. Bids, Discounts, and Rebates. Manager shall obtain contracts, materials, supplies, utilities, and services on the most reasonably advantageous terms to the Building, and shall solicit formal bids on all contracts or purchases exceeding two thousand dollars (\$2,000.00) for those items which can be obtained from more than one source unless instructed otherwise in writing by the Owner. Manager shall secure and credit to Owner all discounts, rebates, or commissions obtainable with respect to purchase, service contracts, and all other transactions on Owner's behalf.

20. Liability of Manager. Except as expressly provided to the contrary herein, the obligation and duties of Manager under this Agreement shall be performed as agent of Owner, but Manager, shall be liable for its breaches of this Agreement; provided, however, that Manager shall not be responsible for advancing or incurring any expenditures in excess of existing or reasonably projected available funds from the Building. All expenses incurred by Manager in accordance with its obligations and

duties under this Agreement and consistent with Owner's approved operating budget, except those due to its breaches of this Agreement and those expressly specified as Manager's expenses herein, shall be for the account of and on behalf of Owner.

21. Indemnification. Manager shall indemnify, defend and hold harmless the Owner and its elected and appointed officers, officials, representatives, employees, and agents from and against any and all liability, demands, damages, claims, causes of action, fees (including reasonable attorney's fees and costs and expert witness fees), and expenses, including, but not limited to, claims for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), arising from or connected with Manager's or any of its subcontractor's, employee's, representative's, or agent's acts, errors, and/or omissions arising from and/or relating to this Agreement, the Building, the Master Lease, or the Child Care Center. Manager shall not be required to indemnify, defend, and hold harmless the Owner from any Liabilities that arise from the sole negligence or willful misconduct of the Owner. Such indemnification language, in favor of Owner, shall also be incorporated in Manager's contracts with any and all entities with which it contracts in relation to this Agreement, the Building, the Master Lease, or the Child Care Center.

Manager further agrees to indemnify, defend, and hold harmless the Owner and its elected and appointed officers, officials, representatives, employees, and agents from and against any and all Liabilities relating to the Manager's any of its subcontractor's, employee's, representative's, or agent's acts or omissions, whether civil or criminal, intentional or unintentional, including, without limitation, allegations or acts of physical abuse, mental abuse, psychological abuse, sexual abuse, molestation, maltreatment, or mistreatment, with respect to the Building, the Master Lease, the Child Care Center, or the services provided in relation to the Child Care Center, the Building, or the Master Lease. Such indemnification language, in favor of Owner, shall also be incorporated in Manager's contracts with any and all entities with which it contracts in relation to the Building, the Master Lease, the Child Care Center, or the services provided in relation to the Building, the Master Lease or the Child Care Center.

These indemnification provisions shall remain in full force and effect and survive the termination and/or expiration of this Agreement.

22. Insurance. Without limiting Manager's indemnifications of the Owner provided in this Agreement, Manager shall procure and maintain at its own expense the insurance described in this section for the time periods set forth herein. Such insurance shall be secured from carriers admitted in California, or authorized to do business in California. Such carriers shall be in good standing with the California Secretary of State's Office and the California Department of Insurance. Such carriers must be approved by the California Department of Insurance and must be included on the California Department of Insurance List of Eligible Surplus Line Insurers (hereinafter "LESLI"). Such carriers must have a minimum rating of or equivalent to A:VIII in Best's Insurance Guide. Manager shall, concurrent with the execution of this Agreement,

deliver to the Owner certificates of insurance with original endorsements evidencing the general liability and automobile insurance coverage required by this Agreement. Manager shall deliver satisfactory evidence of issuance of All Risk property insurance described in (3) below and worker's compensation insurance described in (4) below at such time that such exposures are at risk, but in no event later than the Close of Escrow. Manager shall deliver satisfactory evidence of issuance of Professional Liability Coverage once the Design Professionals are hired for the Project. The certificate and endorsements shall be signed by a person authorized by the insurers to bind coverage on its behalf. The Owner reserves the right to require complete certified copies of all policies at any time. Said insurance shall be in a form acceptable to the Owner and may provide for such deductibles as may be acceptable to the Owner. In the event such insurance does provide for deductibles or self-insurance, Manager agrees that it will defend, indemnify and hold harmless the Owner, its elected and appointed officers, officials, representatives, employees and agents in the same manner as they would have been defended, indemnified and held harmless if full coverage under any applicable policy had been in effect. Each such certificate shall stipulate that the Owner is to be given at least thirty (30) days' written notice in advance of any modification or cancellation of any policy of insurance. Tenant shall give the Owner immediate notice of any insurance claim or loss which may be covered by insurance. Manager represents and warrants that Manager's contractors, subcontractors, and professionals shall also provide and maintain all of the insurance coverage requirements as set forth herein.

(1) General Liability: Comprehensive general liability insurance, including coverage for personal injury, death, property damage and contractual liability, with a combined single limit of at least Two Million Dollars (\$2,000,000) for each occurrence (Four Million Dollars (\$4,000,000) General Aggregate), including products and completed operations coverage. Whether written on an occurrence or claims-made basis, the policy(ies) shall be maintained from the execution of this Agreement until at least four (4) years after termination of this Agreement. This policy shall also include a sexual molestation endorsement. The policy shall contain a waiver of subrogation for the benefit of the Owner.

(2) Professional Liability: Professional liability insurance, including coverage for personal injury, death, property damage and contractual liability, with a combined single limit of at least One Million Dollars (\$1,000,000) for each occurrence (Two Million Dollars (\$2,000,000) General Aggregate). Said insurance shall be maintained for a period of not less than ten (10) years after the substantial completion of the Project. The policy shall contain a waiver of subrogation for the benefit of the Owner.

(3) Property Insurance: All Risk property insurance. Coverage shall include without limitation, builders risk insurance and insurance against the perils of fire and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake and flood, windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition

occasioned by enforcement of any applicable legal requirements. The amount of the property coverage shall at all times exceed the full replacement value of materials supplied or installed by others, all existing structures, improvements and fixtures on the Property. There shall not be a "co-insurance" clause. This insurance shall be maintained for the duration of this Agreement.

(4) Worker's Compensation and Employer's Liability. Manager's employees, if any, Manager's contractors, subcontractors, and professionals and any affiliates or agents of Tenant shall be covered by Workers' Compensation insurance in an amount and in such form as to meet all applicable requirements of the Labor Code of the State of California and Employers Liability limits of One Million Dollars (\$1,000,000) per accident. This insurance shall be maintained for the duration of this Agreement.

(5) Automobile Liability: Combined single limit automobile liability insurance of at least One Million Dollars (\$1,000,000) per accident for bodily injury and property damage, covering owned, nonowned and hired vehicles. This insurance shall be maintained for the duration of this Agreement.

The Owner and its officers, officials, representatives, employees and agents shall be named as additional insureds on the General Liability policy and the Automobile policy. Owner shall be named as a loss payee on the Property Insurance policy. The above mentioned insurance policies shall be the primary policies with respect to the Owner. Failure on the part of Manager, and any entities with which Manager contracts in relation to this Agreement, the Master Lease, the Building, or the Child Care Center, to procure or maintain the insurance coverage required in this Insurance Section shall constitute a material breach of this Agreement pursuant to which the Owner may immediately terminate this Agreement and/or the Master Lease, and exercise all other rights and remedies set forth herein, at its sole and absolute discretion, and without waiving such default or limiting the rights or remedies of the Owner, procure or renew such insurance and pay any and all premiums in connection therewith and all monies so paid by the Owner shall be immediately repaid by the Manager to the Owner upon demand including interest thereon at the default rate. The Owner shall have the right, at its sole election, to participate in and control any insurance claim adjustment or dispute with the insurance carrier. Manager's failure to assert or delay in asserting any claim shall not diminish or impair the Owner's rights against the Manager or the insurance carrier.

In addition to the above mentioned insurance requirements, Manager acknowledges that it and/or its subcontractors will be working with and will come into close contact with minors in providing the services in relation to this Agreement. Manager represents and warrants that it has conducted extensive background checks on all of its consultants, subconsultants, employees, representatives, and agents and it has determined that none of them have any criminal or civil backgrounds working or dealing with minors that should prevent them from providing the services in relation to this Agreement. Manager acknowledges and agrees that in rendering the services pursuant to this Agreement, the situations may arise in which Manager and/or its

consultants, subconsultants, employees, representatives, and agents, and a minor find themselves alone in a room. Manager represents and warrants that no services shall be rendered in closed door meetings and any time in which Manager is providing services to a minor, one on one,, all doors to the rooms in which the services are rendered shall remain open at all times. Manager represents and warrants that it has a written policy and procedure in place regarding working with minors and all of Manager's consultants, subconsultants, employees, representatives, and agents have received such policy and procedure and/or had formal training on such. Manager acknowledges and agrees that a material inducement to the Owner in entering into this Agreement is that the Manager has such policies and procedures in place, has given its consultants, subconsultants, employees, representatives, and agents formal training on such, takes these issues seriously, and acts immediately and appropriately to address any issues or concerns regarding such. At anytime upon Owner's forty eight (48) hour notice, Manager shall provide copies of all policies, procedures, background check materials (redacted for confidential information as applicable), and other relevant information upon which Manager's above representations are based. If Manager fails to provide information, documents, and materials to support its representations, then Owner, in Owner's sole discretion, may elect to terminate this Agreement and/or the Master Lease.

22. Escrow and Payments. From the funds collected and deposited by Manager in the Operating Account, Manager shall make any monthly escrow payments required under the Mortgages, for the purpose of funding insurance, tax, and such other reserve or escrow accounts for the Building as Owner may require pursuant to the Mortgages. Manager promptly shall present tax bills and insurance premium notices to the escrow agent for payment and shall furnish Owner with evidence of timely payment of such taxes and insurance premiums.

23. Management Fee. For performance of the property management functions under this Agreement, the Manager shall receive a monthly management fee, which is equivalent to Fifty Five Dollars (\$55) per unit ("Management Fee"). Such Management Fee shall be payable out of the Operating Account, and treated as a Building expense, on the tenth (10th) day of the month following the month in which the services were rendered. In the event that Manager is not in compliance with any of the terms and conditions in this Agreement or the Master Lease, and Manager has failed to cure such non compliance within thirty (30) days of Owner giving Manager notice of such, then Owner shall no longer be obligated to pay the Management Fee to Manager.

24. Compliance with Laws. In the performance of its obligations under this Agreement, Manager shall comply with all Laws.

25. Term and Termination. This Agreement shall be in effect for the period commencing as of the date hereof and ending on the first anniversary of the date hereof, and shall be automatically extended for successive one (1) year periods thereafter subject to the following conditions:

- (a) Manager may elect not to extend this Agreement by notifying the Owner at least sixty (60) days in advance of the last day of the initial period hereunder or any annual extension period thereafter.
- (b) This Agreement may be terminated at any time by mutual written consent of Owner and Manager.
- (c) The Owner may terminate this Agreement without cause upon thirty (30) days written notice.
- (d) The Owner may terminate this Agreement upon three (3) days written notice if the Owner, or any lender or equity investor, determines that the Manager has failed to perform.

Should the Manager fail to perform all or any portion of the services required to be performed hereunder in a timely and professional manner or properly carry out the provisions of this Agreement in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Manager, and should the Manager neglect or refuse to provide a means for satisfactory compliance with this Agreement and with the direction of Owner within the time specified in such notice, then Owner, at its election, may suspend or terminate the operations of the Manager in whole or in part.

Should Manager fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Agreement, or if the services to be provided hereunder are abandoned for more than three (3) days by Manager, then notice of deficiency thereof in writing may be served upon Manager by Owner. Should Manager fail to comply with the terms of this Agreement within five (5) days, upon receipt of said written notice of deficiency, then Owner, at its election, shall have the power to suspend or terminate the operations of the Manager in whole or in part.

- (e) In the event that the Master Lease is terminated by Owner, then at the election of Owner, Owner may terminate this Agreement concurrently therewith.
- (f) In the event a petition in bankruptcy is filed by or against Manager, or in the event Manager makes an assignment for the benefit of creditors or takes advantage of any insolvency act, Owner may terminate this Agreement without notice to the other.
- (g) Within five (5) days after termination of this Agreement, Manager shall close all accounts and pay the balances or assign all

29. Captions. The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope or the intent of this Agreement.

30. Interpretation. No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Agreement is to be constructed as if it was drafted by each of the parties hereto.

31. Waiver. No breach of any provision hereof can be waived unless in writing.

32. Execution of Counterparts. For the convenience of the parties, this Agreement may be executed in multiple counterparts, each of which shall constitute a complete original of this Agreement, which may be introduced in evidence or used for any other purpose without the production of any other counterparts.

33. Successors and Assigns. The Agreement shall inure to the benefit of and constitute a binding obligation upon Owner and Manager and their respective successors and assigns; provided, however, that Manager shall not assign this Agreement, or any of its duties hereunder, without the prior written consent of Owner. The Owner and Manager acknowledge that Manager desires to assign its interest in this Agreement to New Capital, LLC, a California limited liability company. Provided that Manager supplies Landlord with all due diligence documents requested by Owner, regarding New Capital, LLC, and Owner approves such documentation and approves Tenant's request to assign this Lease to New Capital, LLC, in writing, then Tenant may assign its rights and obligations under this Lease to New Capital, LLC. However, in no way does this release Manager from its duties and obligations under the terms of this Agreement. Owner may, at any time in its reasonable discretion, terminate Manager's assignment to New Capital, LLC and require Manager to resume all of its duties and obligations under this Lease.

34. Entire Agreement. This Agreement, along with the Master Lease for the property entered into by the parties hereto concurrently herewith, constitutes the entire agreement between Owner and Manager. In addition, no such amendment or modification shall be valid or enforceable without the prior written consent of the parties hereto.

35. Commission Requirements. Manager agrees to abide by Commission Requirements, which are attached to Master Lease between Tenant and Landlord for 895 North Bonnie Beach Place, Los Angeles, CA 90063.

[SIGNATURE BLOCK ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Owner:

Community Development Commission
of the County of Los Angeles

By: _____
SEAN ROGAN
Executive Director

APPROVED AS TO FORM:

Robert E. Kalunian
Acting County Counsel

By: _____
BEHNAZ TASHAKORIAN
Deputy

Manager:

New Economics for Women, Inc.
a California non-profit public benefit corporation

By: _____
Name: _____
Title: _____

EXHIBIT I

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**895 NORTH BONNIE BEACH PLACE
PROPERTY MANAGEMENT PLAN**

I. MANAGEMENT

A. Role and Responsibility of the Owner and/or Delegation of Authority to the Manager

- 1) Scope of Responsibilities.** The respective responsibilities of the Owner and Manager are described in the Property Management Agreement (the "Agreement"). This Property Management Plan (the "Plan") is incorporated by reference into the Agreement to which it is attached as an exhibit. This Plan does not supersede the Agreement. The terms of the Agreement supersede any terms of this Plan if there are any contradictory provisions, while the terms of this Plan supplement the terms of the Agreement if any provisions in the Plan are not explicitly included in the Agreement.

The Manager will need prior approval from the Owner before taking action as noted below:

- a) Renewal of service contracts.
 - b) Letting of any large contracts such as exterior painting, remodeling, etc.
 - c) Evictions and legal proceedings.
 - d) Authorization of Purchase Orders or Work Orders in excess of \$2,000 for labor and or materials required to maintain the development. The Manager must make every effort to keep disbursements within the guidelines of the projected budget amounts.
- 2) Change in Manager.** The Owner maintains a list of property managers who have the experience and capacity to manage 895 North Bonnie Beach Place and who are experienced in publicly supported affordable housing projects. The Owner will also consult with staff from the regulatory agency regarding changes in the management.

Sections 25(c) and 25(d) of the Agreement provide that the Agreement may be terminated by the Owner with thirty (30) days written notice or upon three (3) days written notice if Owner or any other lender or any equity investor determines that the Manager has failed to perform.

The Manager will transfer all files and records related to the project to the Owner. These files shall include marketing and rent-up materials, prospective Residential Tenant applications and documents relating to the management of the building. The Owner shall be responsible for providing the new manager with the scope of responsibilities including those for lease-up.

B. Personnel Policy and Staffing Arrangements

1) Job Titles and Responsibilities. The following personnel will be involved in the management of the property. Any deviation from personnel and their respective responsibilities listed below, must be approved in writing by owner.

- a) Resident Manager: Detailed job description appears in Exhibit 4.
The Resident Manager will live on-site and will devote approximately 40 hours per week to the day-to-day operations of the property. Person selected to be the Resident Manager shall be entitled to occupy a unit rent-free. The value of the rent-free apartment shall be included on the budget for the Resident Manager's compensation and listed as "Manager Rent Free Unit".
- b) Maintenance Person: Detailed job description appears in Exhibit 4.

2) Hiring Policy

- a) Minimum job qualifications for each position are detailed in the job descriptions in Exhibit 4.
- b) Interested applicants may contact the Manager's central office to establish a time to come in and complete an application. An applicant will be required to complete a written application. Skills testing and an oral interview may also be required. Each applicant will be informed by the Manager of either acceptance or rejection for an employment opportunity.
- c) Applicants are considered for positions, and employees are treated during their employment without regard to race, ethnicity, national origin, religion, creed, sex, sexual orientation, age, marital or veteran status, medical condition or handicap. All hiring of personnel shall conform to Equal Employment Opportunity guidelines.

It is the intent of the Manager to comply with the laws and regulations, as applicable, concerning fair employment and affirmative action. The Manager will work with the Owner to actively recruit qualified women and minority candidates for all jobs. Special efforts will be made to provide information regarding job openings to women and minority candidates and contractors through outreach to community organizations, bulletin boards, newspapers, and other communications media. All hiring materials will indicate that the Manager is an "Equal Opportunity Employer."

3) Training. Staff will receive comprehensive training at the Manager's central office facility, as well as on site. In addition, the Manager's Field Supervisor will provide concentrated training to personnel on a regular

basis during the site visits. Training of all personnel covering HUD Section 8 program guidelines or any other applicable program guidelines and management policies will be carried out prior to the rent-up of the project. In addition, the Manager will inform its staff in writing of all changes in management policies and requirements immediately after any such changes have been published. The Manager will also send project related personnel to relevant management workshops sponsored by various property management associations for the purpose of updating and renewing work-related skills.

- 4) Employment of Residents.** The Manager may give priority to qualified residents of the 895 North Bonnie Beach Place Apartments and then to members of the local community in hiring of project personnel, and will make available to the residents all pertinent information, such as qualifications, remuneration, application procedures, etc...

Depending upon the employment position, unit rent may be affected by employment. If rent is adjusted, such adjustment shall be included as part of the employees compensation and shall be established as such in a written work agreement between the Manager and the employee.

Residents may be employed as "Emergency Contact" persons to be available for lock-outs and medical emergencies.

C. Plan for Maintaining Adequate Accounting Records and Handling Necessary Forms and Vouchers

- 1) Project Accounting Basis.** The Manager shall maintain financial accounting, reports, and records in conformance with standard accrual basis accounting procedures, and shall be responsive to the guidelines provided by the regulatory agencies connected with the project.

- 2) Bank Accounts.** Manager shall maintain the following separate accounts:

- a) General Operating Account: The Manager shall maintain an operating account for rent collection and payment of the project's operating expenses.
- b) Security Deposit Account: The Manager shall maintain a Security Deposit Account. The account shall be separate from the operating account (See Paragraph C, Section 6 for additional information on the Security Deposit Account).
- c) Operating Reserve Account: The Owner shall maintain the operating reserve account. This account will be initially funded as required by the lenders and investors to the project in the amount established in the loan agreement and partnership documents. A

deposit of \$200 per unit per year shall be made to this account from the operating account until the account is capitalized . Funds may be transferred from this account only to cover actual operating expenses in excess of the approved budget amount, or to compensate for vacancy and bad debt losses in the approved budget amount.

- d) Replacement Reserve Account: This account will be funded through an annual contribution of \$300 per unit per year from the operating account. The initial contribution to this account will be determined by the lenders and investors to the project in the amount established in the loan agreement and partnership documents. The amount of funds will be based on anticipated capital improvements, project upgrading, and replacement items that the project's physical assets will require.

Cash Receipts. Manager shall collect rents, security deposits and all other payments and make bank deposits each day when collections on-hand total at minimum of \$800. Owner is to be provided with monthly bank statements showing all transactions.

On a monthly basis, the Manager shall prepare a rent roll showing scheduled and actual rents with a list of Residential Tenant delinquencies. Delinquency reports shall indicate whether Residential Tenants are 30, 60, or 90 days behind in their rent.

Manager shall maintain individual Residential Tenant ledgers recording all Residential Tenant payments and receivables.

Manager shall make all deposits into the Operating Account. Manager shall transfer appropriate amounts to and/or from the security deposit account on a monthly basis.

Manager will prepare monthly bank reconciliations to verify all deposits.

- 4) **Operating Disbursements.** Disbursements from the Operating Account shall be made as described in section 14 of the Agreement. Bills will be paid and accounts will be funded pursuant to the requirements of the project's regulatory agreement and loan agreement. Specifically:

- a) Manager will utilize a purchase order system to document all project expenses except those items and services provided on a regular contractual basis (utilities, trash removal, service contracts, etc.)
- b) Purchase order copies will be matched to invoices and approved by the Manager's property supervisor prior to payment.

- c) Checks will be requested for payment by the Manager and processed at a minimum three times per month.
- d) Owner's mechanisms for cost control, purchasing, and procurement of contract services are delineated in sections 11(e)(f), 15 and 18 of the Agreement. Expenses of \$2,000 and over, subject to the provisions of section 11(e) of the Agreement, require the Owner's specific approval, except for emergency repairs where the Manager will communicate with the Owner as soon as possible. Purchase contracts in excess of \$2,000 must be put out for bid. Solvency requirements and cash flow payments shall be determined as outlined in section 14 of the Agreement.

5) Reporting. The Manager shall maintain all accounting records on a computer system. Records of collections will be transmitted to the Manager and input into the computer system where a general ledger, cash receipts and disbursements records will be maintained.

All regulatory agency reporting documents will be completed by Manager and will be based upon the requirements of the regulatory agencies. At a minimum, the Manager shall prepare, and deliver to Owner, monthly reports concerning the following:

- a) Cash status report including cash receipts, disbursements and receivables.
- b) List of accounts payable.
- c) Comparisons of actual versus budgeted operating costs.
- d) Vacancy and Delinquency Report.

Regulatory compliance requirements shall be governed by section 8 of the Agreement.

The Owner shall deliver to the Manager a copy of all regulatory agency program guidelines, with the due dates of various regulatory agency documents specified by the Owner. The Manager shall also inform its auditors of all the provisions of annual audits as required by the regulatory agency.

6) Security Deposits. Security deposits will be collected in an amount equal to one (1) month's rent plus any required deposit for keys or garage door remote control openers. The Manager shall establish an interest bearing account for security deposits.

The amount of any deductions from the security deposit will be determined by the Manager's field supervisor under guidelines established by the Manager and approved by the Owner. Security deposits may be used to pay for Residential Tenant-caused damages, lost keys or garage door

remote controls, delinquent rent, late fees, legal fees, and any other reasonable expense caused directly as a result of a Residential Tenant's actions. If no charges are made against a Residential Tenant's security deposit, a Residential Tenant shall be entitled to a refund of a security deposit. Interest shall be included in such refund to the extent required so by any applicable law. Security deposit refunds will be mailed to a former resident within 21 days of departure.

Any accrued interest on security deposits that is not required by law to be refunded will be made available for operations and repairs related to the project.

Security deposits shall be maintained in a separate account from the operating and reserve accounts. Security deposits shall be shown as liabilities on all project reports, and not included as income.

Upon vacating a unit, the Manager shall inspect the departing resident's unit to determine whether any damages were caused by the resident household while they occupied the unit. The inspection form used prior to move-in shall be used as the basis of comparison. In the event that there are Residential Tenant-caused damages, the Manager shall prepare within 15 days of the vacate date, an estimate of the cost of repairing the damages and provide the estimate to the Residential Tenant. Within 30 days of departure, the Manager shall make the necessary repairs and send the former resident an itemized list of repair costs (if any), and credit the security deposit against the cost of repairs. The Owner will send to the former resident a check for the balance of the security deposit, if any. Should the repair costs exceed the amount of the security deposit, then the Manager will send the former resident an invoice for the excessive cost of the repairs. All documentation shall be maintained by the Manager in the former Residential Tenant's file.

D. Management Plan Updates The Management Plan shall be updated on the following occasions:

- 1) Change or modification of regulatory agency management guidelines;
- 2) Change or modification of 895 North Bonnie Beach Place management guidelines, which will be reviewed annually; and
- 3) Alteration of 895 North Bonnie Beach Place staffing that necessitates operating procedure revisions.

E. Property and Liability Insurance Manager shall procure and maintain the insurance policies as specifically set forth in the Agreement. The Manager shall arrange for the project to be insured against loss by fire and such other hazards, casualties, liabilities and contingencies, and in such amounts and for such periods as required by the regulatory agencies.

Fire and property insurance shall be maintained for the full replacement value of the project, and 100 percent of the annual rents for the duration of the time the building remains fully or partially rentable. Casualty and liability insurance shall also be maintained. Additional insureds to be designated and included in coverage will be identified by Owner. Owner shall bill project for insurance coverage. Owner will provide Manager with an annual invoice to pay for insurance premiums.

II. OCCUPANCY

A. Marketing Plans and Procedures

1) Affirmative Marketing. The Manager will be responsible for developing an Affirmative Marketing Plan and submitting to owner for written approval. Affirmative Marketing Plan shall comply with regulations governing site operations. The Manager will be responsible for marketing and leasing the units. The rental office will be located on site. All vacancies shall be listed on <http://housing.lacounty.gov>.

Units shall be marketed in accordance with Affirmative Fair Housing marketing plan guidelines approved by owner. All advertising for the units at 895 North Bonnie Beach Place shall include prominent use of Equal Housing Opportunity logos, slogans and/or statements of intent to affirmatively market the units. See Exhibit 5 for HUD Form 935.2 for direction on information requested by HUD that must be contained in the affirmative marketing plan.

Outreach to the community will specifically be through churches, community organizations, newspapers, and governmental agencies. The outreach will be city wide and reach a diverse racial, ethnic, and economic mix. Advertising shall include the use of newspaper advertisements, flyers to the communities, and notification of availability of rental units to public and private agencies. All advertisements will be printed in English and in Spanish and other languages as determined by mutual consent of owner and agent.

2) Residential Tenant Selection. Residential Tenant selection procedures must comply with the HOME Investment Partnership Program regulations (HOME regulations), should a discrepancy between the outlined selection procedures and the HOME regulations arise, the HOME regulations shall govern. The rent-up shall be conducted by the Manager's personnel and supervised by the Owner. The Manager shall utilize staff members that are well trained in eligibility requirements, family composition criteria, unit size selection processes, and Owner-approved selection criteria. The following is a summary of Residential Tenant selection procedures:

- a) Applications will be stamped, dated and numbered as they are received, and then sorted for family size, income level, and eligibility status.
- b) Eligible applicants will be processed and selected in the order in which completed applications are received. Eligibility will be determined on stated income and age. If an applicant is deemed eligible on stated income and age then full processing is undertaken.
- c) The Manager will thoroughly review all information provided on the applicant's application. The review will include a credit check, contacting prior landlords, and verifying all information on the application.
- d) All qualified applicants that are not able to move in will be placed on a waiting list and shall receive a letter informing them of their status.
- e) Those applicants not selected for occupancy shall be provided with written notification stating the reasons for their ineligibility. Such reasons might include but are not limited to the following: over income, insufficient income (inability to pay the rent), and bad credit history. Those applicants rejected for residency shall be provided with an opportunity to appeal. The appeal process shall allow for the applicant to provide supplemental information to the application including additional third party verification and/or testimony. Applicants may be considered ineligible if any of the following conditions concerning bad credit history apply: the prospective Residential Tenant has been evicted by a court of law, particularly in the three years preceding his/her application date; the prospective Residential Tenant's credit history reveals two or more late payments of thirty days past due or more; or if the prospective Residential Tenant's credit history reveals any unpaid judgments or unpaid collection amounts.

Eligible applicants will sign a verification form for the Manager to mail to the income provider. The forms are to be filled out by the income provider, or themselves if they are self-employed (whereupon a signed affidavit with a tax return, if any, must be provided). Landlord reference letters may also be required.

Whenever possible, the Manager will assist applicants who have limited fluency in English by answering questions or providing forms in the native language of the applicant.

Upon third-party verification of income, and other verifications if applicant qualifies, the applicant shall either be offered residency or their name shall be added to the waiting list and time-dated. The waiting list will be updated on an annual basis. Applicants on the waiting list will be contacted during these regular updates to see if the applicant wishes to remain on the

waiting list and whether there have been any significant changes in any household situations since application for residency.

The Manager shall attempt to contact those households that have been on the waiting list for the longest period of time. If a household cannot be contacted after documented attempts, the Manager shall interview the eligible households that respond to contacts, with preference being given to those households that have been on the waiting list the longest. Prospective Residential Tenants will be informed that continued income eligibility and annual income recertification will be required as a condition of occupancy. Applicants who are deemed suitable for occupancy shall have the opportunity to inspect the unit to be rented, shall sign an inspection form and a rental agreement, and shall pay the security deposit.

- 3) Notification of General Population.** The general population in the greater Los Angeles area will be notified of the availability of units at the 895 North Bonnie Beach Place site essentially as noted above in Section II A (1). At a minimum, the project will be advertised in the area newspapers and <http://housing.lacounty.gov/> identified in the affirmative marketing plan.
- 4) Waiting List.** A waiting list will be maintained. Actions taken to keep the waiting list current are as described in Section II A (2) above.
- 5) Pre-Occupancy Orientation.** A pre-occupancy orientation program will be provided for applicants during the interview process. If applicants are accepted, at the time of the execution of the Residential Lease and payment of security deposit, the Manager shall re-orient the households on the project. The orientation shall include a full and detailed review of the project house rules, and will also include a question and answer period during which the Residential Tenants can become acquainted with each other as well as the Manager.

B. Procedures for Determining Residential Tenant Eligibility and for Certifying and Annually Recertifying Household Income and Size

- 1) Initial Residential Tenant Eligibility.** Steps to determine initial income eligibility are described in Section II A (2) above and must comply with the HOME regulations, should a discrepancy between the steps listed above and the HOME regulations arise, the HOME regulations shall govern.
- 2) Annual Residential Tenant Recertification.** Each household will be informed during the interview and orientation process of the requirement to have household income and composition re-certified annually.

Annual interviews with each household will be scheduled according to a recertification schedule established between the Owner and Manager. Every calendar year every household must be re-certified. The recertification procedure will begin at least 3 months prior to the required time of completion. The re-certification process must comply with HOME regulations, should a discrepancy between the steps listed above and the HOME regulations arise, the HOME regulations shall govern.

3) Procedures for Dealing with Resident Households that Become Ineligible. Should income exceed the program limits, Residential Tenants shall be advised of their options under HOME program guidelines. If the household size increases beyond the maximum number allowable for the unit size, the residents shall be required to move to the next available appropriately sized unit when and if available.

4) Residential Tenant Occupancy Standards. The occupancy standards for determination of a household's unit size shall be as follows or as restricted in regulatory documents:

<u>Unit Size</u>	<u>Minimum # in H.H.</u>	<u>Maximum # in H.H.</u>
2 BR	2	5
3 BR	3	7
4 BR	4	9

- a) **Pets:** No pets are allowed
- b) **Permissible Absences:** Residential Tenant families are required to occupy 895 North Bonnie Beach Place as their primary place of residence. Absences beyond 30 days will be permitted for emergency purposes only, as long as rental payments are kept current during the absence. Requests for absences must be submitted to the Manager in writing, giving the reasons for the absence, the dates of the expected absence, and any other material circumstances that might affect the Manager's decision about the appropriateness of the absence. The Residential Tenant will be notified in writing of the decision.
- c) **Residential Tenant Incapacity:** In the event that a Residential Tenant appears to be incapacitated so as to make self care difficult, the Manager will immediately contact relatives or will contact referral agencies to assist the resident. In the event that the resident becomes so incapacitated as to be unable to care for himself/herself, the County Guardian's Office will be contacted to determine what facility the resident should be transferred to.
- d) **Live-In Attendants:** Residential Tenants with disabilities severe enough to require live-in attendants shall be required to present written certification from their physician that their disabilities require live-in care. In that event, the unit must be large enough to accommodate the attendant according to published occupancy standards. Attendants are

not considered part of the family, and may not occupy the unit should the disabled family member no longer reside in the unit.

- e) Changes in Household Size (over or under occupancy):** In the event that the household wishes to add an additional person, the new member will have to be qualified to occupy the unit based on the previously described criteria. Any income of the new applicant must be included into the household's total income. If the proposed addition to the household is acceptable but results in the household no longer fitting into its current unit based on occupancy standards, the household may add its new member and move to the next available appropriately sized unit at 895 North Bonnie Beach Place if such addition does not result in the household exceeding the legal occupancy standards.

C. Rent Collection Policies and Procedures

- 1) Rent Calculations and Collections.** The rent for each unit at the time of lease up shall be decided in advance by the Owner. The prospective Residential Tenant household shall be informed of the rent prior to executing a Residential Lease. Annual rent increases, if any, shall be approved subject to approval by the regulatory agency. Residential Tenants shall be informed of any rent increases at least 30 days prior to their implementation.

Rent collection procedures are defined in Section 9 of the Agreement. Typically, rents shall be delivered to the Resident Manager or sent directly to the Manager or its designee. Manager/Resident Manager shall provide the resident with a receipt and enter the amount paid into the monthly rent receipt journal. Rents shall be collected by the Manager and deposited into the operating account.

All rents shall be due on or before the first day of each month. Rent is considered delinquent on the fifth (5th) day of the month. Rents must be paid by check, money order, or some other secure form of payment.

- 2) Actions for Late Rents.** Residents who have not paid their rent by the fourth day of the month will be served a Three Day Notice to Pay Rent or Quit. Failure to pay rent will result in eviction. The Manager shall provide the eviction attorney with copies of all documents and request that an eviction be scheduled with the court. Eviction proceedings must follow procedures outlined in the California Civil Code. The household will be charged for the cost of any legal actions the Owner incurs due to the actions of the household.

A household may follow the procedure outlined in the Grievance and Appeal Procedures if the Owner takes action regarding the household's late or non-payment of rent.

- 3) Partial Rent Payments.** Partial rent payments will not be accepted unless specific arrangements are made with the Manager in advance of the time when rent is due. Rent is due in full on the first of each month.
- 4) Annual Rent Increases.** Rents shall be increased from time to time as allowed by the United States Department of Housing and Urban Development. All residents shall be given a thirty (30) day notice of any rent increases allowed pursuant to agency regulations.
- 5) Recovery of Damages in Excess of Security Deposit.** The full amount of back rent and damages will first be established formally in a judicial unlawful detainer action so that Manager may claim damages as part of the court's judgment. If the damages are significant and the Residential Tenant's income is determined sufficient, a collection agency may be contacted to secure the judgment.

D. Procedures for Appeal and Grievance

- 1) Eviction Procedures.** Residents that have violated their Residential Lease or other regulations may be given a Thirty Day Notice to vacate. Should the violation continue, the Manager will inform the Owner that they intend to initiate eviction procedures.

Evictions for nonpayment of rent are described in Section II.C (2) above. Eviction for nuisance shall be undertaken when there is documented evidence (correspondence, witnesses of illegal activities, police actions, Residential Lease violations, etc.) available that the Manager and the attorney may determine to be winnable in court. Manager must comply with grievance procedures outlined in HOME regulations, prior to filing legal action. Utilization of Settlement Agreements and Stipulated Judgments are highly encouraged.

No rent will be collected during any eviction action. If a Residential Tenant who is in the process of being evicted for nonpayment of rent desires to pay the rent in full, then the resident manager shall confer with the Manager to determine whether rent will be accepted. If rent is accepted, the Residential Tenant will be required to pay with money order or cashier's check only. If it is determined that the resident is chronically late or has a serious nonpayment problem, then the Manager has the option of foregoing the rent and continuing with the eviction if the deadline specified in the 3-day notice has already elapsed.

- 2) **Processing Residential Tenant Complaints.** Written resident complaints will be responded to in writing by the Manager. There will be complaint forms on site and available for resident use.

Complaints can be mailed or hand delivered to Manager and can be signed or anonymous.

- 3) **Rules Violations.** Residential Tenants who violate Residential Lease agreements or the project's house rules shall always be notified in writing, with a request to correct or remedy the violation. Duplicate records will be filed in the Residential Tenant's file, with any responses. If the same or other violation occurs or continues, then the Residential Tenant will be advised in writing that continued violations may result in eviction. If they still continue, the procedure described in section D (1) above for nuisance violations will be initiated.

- 4) **Appeals and Grievance Procedures.** Appeals and grievance procedures are attached as Exhibit 6.

E. Plans for Enhancing Resident-Management Relations

- 1) **House Rules.** House rules and regulations are shown in Exhibit 7 as an attachment to the Standard Residential Lease Agreement. These will be attached to the Residential Lease and will be reviewed with the Residential Tenants at the time of the initial interview and during orientation prior to move in.
- 2) **Residential Tenant Information Sheets.** An information sheet will be completed by the Manager and Owner before the project is ready for lease up. The information will be provided to all Residential Tenants prior to move in.
- 3) **Emergency Procedures.** All management staff will be trained in emergency procedures and there will be regularly scheduled fire drills. In addition, an emergency procedure sheet will be developed by the Manager and will be provided to all residents upon move-in. This sheet will describe procedures to be followed in the event of fire, earthquake, or other major occurrence requiring emergency action on the part of management staff or residents. Periodic Residential Tenant meetings will be held to keep residents acquainted with emergency procedures.

III. MAINTENANCE AND SECURITY

A. Identification of Maintenance Staff

All routine janitorial work will be completed by the on-site resident manager. Any supplemental or extraordinary janitorial work that is required will either be contracted out to a private janitorial firm or undertaken by an employee of the Manager and billed to the project. Maintenance work will also be done by an employee of the Manager and billed to the project or contracted out to a vendor or subcontractor. Outside contractors will generally be used for emergencies, unusual or specialized repairs, and landscaping.

Work requiring a licensed contractor such as major plumbing, electrical, or mechanical work, shall be contracted for by the Manager, according to Sections 11 and 13 of the Agreement.

B. Need for Additional Security Provisions

The periphery of 895 North Bonnie Beach Place is encircled by a fence and wall. All site entries will be locked at all times and access will be restricted only to Residential Tenants with keys. There is an intercom system enabling visitors to call to contact residents for entry access.

Should security personnel be necessary, Manager will consult with Owner prior to engaging these services.

C. Preventive Maintenance Schedule

A preventative maintenance schedule will be prepared and updated by the Manager. The inspection forms should be prepared monthly (or more often, as required) by the Manager to inspect the interior and the exterior of the project. Notations will be made for any areas requiring special attention. Work generated as a result of these inspections shall be scheduled accordingly dependent on the nature of the work order (i.e. health and safety, general maintenance, etc...).

The Manager will contract out for extermination and pest control services. General services will be performed once a month and for individual units on an as needed basis.

The exterior and interior of the building will be painted every five years or as needed. All equipment will be maintained based upon the individual equipment guidelines. There will be annual inspections of all units to determine maintenance needs. Monthly and weekly inspections of the exterior of the complex will also be conducted.

D. Residential Tenant-Requested Maintenance

Residential Tenants will fill out a work order form and deliver it to the Resident Manager. The Manager will decide who will be assigned the work

depending on the nature and scope of the work. In the event that the work will cost more than \$500, the Manager's property supervisor will approve work and expenditures. In the event that damages are Residential Tenant-caused, the Residential Tenant will be notified of the amount they will be charged for the actual cost of repairs.

E. Method of Completing Residential Tenant Maintenance Requests

The Manager shall review the requests and determine whether it requires emergency or routine attention. Emergency repairs are those which cause or may cause significant damage, or make any area unsafe or uninhabitable. Every effort will be made to correct emergency repairs within 24 hours. Exceptions to this could be when parts must be ordered to complete the service. Further provisions for repairs are outlined in section 11 of the Agreement.

F. Schedule of Useful Life and Replacement Needs for Major Items

The following summarizes anticipated useful life of major building components:

Roof	10-15 years
Carpet/Flooring	5 – 30 years
Kitchen Appliances	10 years
Common Appliances	10 years
Mechanical	25 - 35 years
Paving	5-10 years
Landscaping	5 - 10 years
Painting (interior)	3 - 5 years
Painting (exterior)	5 -10 years

**EXHIBIT 2
895 NORTH BONNIE BEACH PLACE HOUSING DEVELOPMENT
LEASE AGREEMENT**

Name(s) of Resident(s) _____

Housing Development **895 NORTH BONNIE BEACH PLACE**

Address of Residence _____

Unit No. _____

Bedroom Size _____

Lease Date _____

Review Date _____

The parties to this Agreement are New Economics for Women, Inc., referred to as Manager, The Community Development Commission of the County of Los Angeles, referred to as Owner, and XXXXX, referred to as Resident.

1. LEASE OF RESIDENCE

A. Management agrees to lease the Residence ("Residence") located at Housing Development described above to

The term of this Lease shall be from _____ 20____ to _____ 20____

. At least thirty (30) days before the end of the twelve month (12) Lease term, Management shall give written notice to the Resident either 1) offering a twelve (12) month lease renewal on the same or revised terms, or 2) a 60 -Day Notice of non-renewal of the Lease by Management, including a statement of good cause, as provided in Section 11 E herein. Management may terminate this Lease at any time with appropriate notice if Resident breaches a material term of the Lease.

B. Occupancy of the Residence is limited to the following members of Resident's household having the relationship shown opposite his or her name.

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(See attachment for additional family members if initialed by Resident)___ Resident's initials

Any additional occupants to the Residence must be approved by Management and set forth by written rider to this Lease signed and dated by both parties. All others are considered unauthorized occupants and may subject this Lease to termination. Management approval of additional occupants shall be based upon such factors as appropriate size dwelling unit and suitability including without limitation, criminal background information.

C. Resident has the right to exclusive use and occupancy of the Residence. Resident may allow a guest or visitor as described in Section 6 (J) (K) (L) (M), herein and shall not accept any payment for such occupancy.

D. Resident understands and agrees that Management enters into this Lease Agreement in reliance upon the truth of information provided in Resident's initial application for housing and subsequent information provided for continued occupancy. The discovery that any such information is false or that information was misrepresented may result in termination of this Lease and/or retroactive rent charges or other action deemed appropriate under Federal, State and/or local law.

- E. Resident acknowledges that the Residence and the Housing Development is not a security complex. Management makes no representations or warranty that the leased premises or the Housing Development is secure from theft or any other criminal act perpetrated by any other resident or person. Security officers and/or other security facilities which may be provided by Management are for Management's convenience only, and Management makes no warranties or representations as to the effectiveness of any such security officers or facilities as a deterrent against any criminal activity, damage or injury to Resident, household members or guests, or the personal property of Resident, household members or guests.
- F. Resident acknowledges that occupancy is based on information provided regarding household income and assets before initial entry into the unit. Continued eligibility to occupy unit will require a similar income and asset certification at least once annually after entry into the unit.
- G. Resident agrees that all information regarding household income and assets provided is true, complete, and correct to the best of his or her knowledge. Resident agrees that failure to provide such information, or providing false or misleading information may result in the termination of occupancy and eviction from the premises.
- H. Resident agrees that all information supplied shall be subject to inspection by representatives of the Tax Credit Allocation Committee, Community Development Commission of the County of Los Angeles, and Housing Authority of the County of Los Angeles.

2. PAYMENTS OF RENT DUE UNDER THIS LEASE

- A. Resident shall pay Management monthly rent of \$_____. Rent shall be paid on or before the first day of each calendar month beginning _____, 20____. The pro-rated rent payment for the period from, _____ 20 ____ to _____, 20____ is \$_____ and is due and payable at the time this Lease is executed. If the monthly rent is not paid in full by the fifth (5th) business day of each calendar month, Resident shall pay to the Management a late rent charge of twenty-five dollars (\$25.00) due two weeks after receiving the notice. Management shall collect a fee in the amount charged to the Manager by the bank anytime a check is not honored for payment. For security reasons, Management shall not accept cash payment of rent.
- B. Residents who fail to pay monthly rent by the fifth (5th) business day of each calendar month are delinquent. Being delinquent in rent payment more than three (3) times during the twelve (12) month term of this Lease shall be a material breach of this Lease.
- C. At the time that Resident signs this Lease, he/she will give Management a Security Deposit of \$_____, which shall not exceed the rent for two months. After this lease terminated, Management has the right to apply such amounts from the Security Deposit as are reasonably necessary to remedy damages suffered or cost incurred by Management due to any of the following: Resident's non-payment of rent or any other charges, damage to the Residence or the development caused by Resident, Resident's household members or guests or visitors, and which exceeds normal wear and tear, and Management's expenses in cleaning the Residence after Resident vacates the Residence. Within twenty-one (21) days after the Resident vacates the Residence, the refundable amount (if any) of the Security Deposit will be returned and, unless the full Security Deposit is returned, a written itemization of costs, charges or expenses or damages incurred and the disposition of the Security Deposit will be mailed to the Residents' forwarding address. If Resident fails to provide a forwarding address, Management shall hold any refund in trust for Resident, without interest. If such costs, charges or expenses or damages exceed the amount of the Security Deposit, Resident will immediately pay the difference and shall remain obligated for such excess charges, expenses or damages after any termination of the Lease. If Resident vacates the Residence and owes a balance for any of the above reasons, he/she will not be eligible for re-admission to this or any other housing program administered by Manager, The Housing Authority of the County of Los Angeles, or The Community Development Commission of the County of Los Angeles.

3. UTILITIES

- A. The following utility service(s), when applicable, will be furnished by Management without additional cost to Resident:
-

- B. Resident will pay for utilities not provided by Management, when applicable, and receive a utility allowance according to the Utility Allowance Schedule which is provided to all Residents and which is posted in the Management's Office and incorporated into this Lease by reference. Resident will arrange with local utility companies for turn-on of those utilities not provided by Management under (A) above. Failure by Resident to have utilities turned on or to pay utility bills is a material breach of this Lease.

4. OTHER CHARGES

- A. Resident shall pay other reasonable charges ("Other Charges") beyond normal wear and tear for repair or damage to the Residence or for unauthorized alteration to the Residence or public areas caused by Resident, other household members or guests. Other Charges shall be billed to Resident and will specify damaged items, corrective action taken and cost of labor and/or materials to correct damages. The cost of repairs will be based upon the Schedule of Other Charges provided to each Resident and which is posted in the Management Office and incorporated into this Lease by reference.
- B. Management will accept payments of Other Charges separately from payments of rent owed by Resident. The failure of Resident to pay Other Charges when due will constitute a material breach of the Lease. Other Charges will be due and payable the first day of the second calendar month following the calendar month in which the Other Charges are incurred.

5. REDETERMINATION OF RENT AND OCCUPANCY

- A.
- (1) Once a year, or more frequently as requested by Management, Resident must provide Management with a true and complete written verification of all family income including anticipated income from all sources, family composition, and any other information deemed pertinent by Management, which will be reviewed by Management to determine whether the rent being paid should be changed and/or if Resident is still eligible for continued occupancy in the Residence. If family composition changes requiring a change in unit size, Resident agrees to transfer to an appropriate size dwelling unit based on family composition upon one transfer offer by Management. If Resident refuses or fails to transfer to an appropriate size dwelling unit based on family composition, such refusal shall be a material breach and Management may terminate the Lease.
 - (2) Management may begin processing the Regular Review prior to making a determination of whether or not to renew Resident's Lease. Management's action to begin the Regular Review shall not be deemed a waiver by Management of its right to refuse renewal of a Resident's Lease in accordance with Section 1A herein.
 - (3) Any rent adjustment required as a result of the Regular Review will be effective thirty (30) days after service on Resident of a Notice of Rent Adjustment as provided in subparagraph D below. The Resident may ask for an explanation stating the specific grounds of Management's determination. If Resident does not agree with the determination, the tenant shall have the right to request a hearing under Management's grievance procedure. The Regular Review will occur on or about the same date or dates each calendar year during Resident's occupancy. If Resident or Resident's household does not provide Management the written verification as to all items requested as described above, or execute authorization to release such items, within ten (10) days of Management's request, or if Resident or Resident's household misrepresents any material fact or omits or fails to state any material fact therein, then Resident will have materially breached this Lease.

(4) Management will adjust the initial rent described above as allowed by TCAC and HOME Regulations annually.

B. Notice
Management will mail or deliver a "Notice of Rent Adjustment" to Resident at the Residence in accordance with Section 10 of this Lease in the event that the monthly rent payment is increased or decreased pursuant to Section 5.

C. Confidentiality of Record
All records and information given by Resident to Management shall remain confidential and shall not be disclosed except insofar as the Management is required by Federal and State Law to make disclosures to other government agencies or as requested by Resident or the Resident's authorized representative.

6. RESIDENT'S OBLIGATIONS

Violation of this section may result in termination of this Lease Agreement. Resident agrees:

A. To refrain from, and to assure that household members and guests refrain from creating or maintaining a threat to the health and safety of other Residents, Management's employees, or the public, or engaging in illegal or offensive behavior, including but not limited to: (a) committing a crime that subjects you or any household member to a lifetime sex offender registration requirement imposed by any State sex offender registration program; (b) shooting guns; (c) threatening others with guns, knives or weapons; (d) verbal threats of criminal activity; or (e) lighting, exploding, storing or possessing firecrackers, explosives or flammable or combustible materials or fluids. Resident understands and acknowledges that committing any of the acts described in this subparagraph (A) is a material breach of this Lease and that Management may proceed with termination of the Lease for any such violation on three (3) day's notice.

_____ Resident's Initials

B. To refrain from and to assure household members and guests refrain from engaging in drug-related criminal activity on or off the Housing Development premises. Resident expressly acknowledges and agrees that the illegal manufacture, sale, distribution or use of, or possession with the intent to manufacture, sell, distribute or use, a controlled substance is a drug-related criminal activity. Resident further expressly acknowledges and agrees being on or off the Housing Development premises and having a controlled substance in his/her system is in violation of this subparagraph (B). Resident understands and acknowledges that committing any of the above acts described in this subparagraph (B) is a material breach of this Lease, and that Management may proceed with termination of the Lease for any such violation on three (3) day's notice.

_____ Resident's Initials

C. To refrain from and to assure household members and guests refrain from engaging in violent criminal activity on or off the Housing Development premises. Resident expressly acknowledges and agrees that the commission of such violent criminal activity creates a threat to the health and safety of other Residents, Management's employees, and the public. A violation of this subparagraph (C) is a material breach of this Lease, and Management may proceed with termination of the Lease for any such violation on three (3) day's notice.

_____ Resident's Initials

D. To refrain from and to assure household members and guests refrain from abusing alcohol in a way that interferes with the right to peaceful enjoyment of the Housing Development by other Residents.

_____ Resident's Initials

- E. To refrain from and to assure household members and guests refrain from illegal or other activity which impairs the physical or social environment of the Housing Development. Illegal activity includes without limitation possession or storage of an illegal weapon.
- F. To conduct himself/herself and to assure household members and guests conduct themselves in a manner that will not disturb his/her neighbors peaceful enjoyment of their residences and the public areas, and will be conducive to maintaining the Housing Development in a decent, safe and sanitary condition.
- G. To immediately notify Management in writing if a member of the household is no longer residing in the Residence. Resident shall continue to be responsible for the actions of said household member until Management has been notified in writing of the change and the household member is removed from the Lease.
- H. To refrain from and to assure household members or guests refrain from interfering with the job responsibilities of authorized vendors, service personnel or representatives of Management.
- I. To physically occupy the dwelling unit as the Resident's primary place of Residence.
- J. Not to assign this Lease or to sublet or transfer possession of all or any room of the Residence.
- K. Not to give accommodations to paid boarders or lodgers.
- L. To use the Residence solely as a private dwelling for Resident and Resident's household members and not to use, or permit its use, for any other purpose. Resident may provide reasonable accommodations for Resident's guests, foster children or live-in caretaker for a member of Resident's household, except that Resident must obtain written permission of Management prior to giving accommodations to foster children or live-in caretaker. Resident is responsible for foster children and/or live-in caretakers who shall refrain from drug-related criminal activity and/or violent criminal activity or other activity which impairs the physical or social environment of the Housing Development or which disturbs other Residents' peaceful enjoyment of their Residence or the Housing Development.
- M. To promptly obtain Management's written approval for the presence of any person not identified in Section 1 B as a member of Resident's household who occupies the residence for over ten (10) consecutive days or a total of fourteen (14) days within a twelve (12) month period.
- N. To abide by and to assure household members or guests abide by all necessary and reasonable rules and regulations established for the benefit and well being of the Housing Development in which the Residence is located, which rules and regulations will be posted in Management's office and are incorporated into this Lease as Attachment #2. Such rules and regulations may be modified from time to time as provided in Section 13.
- O. To comply with all obligations imposed upon Residents by applicable provisions of Federal and State law and local building and housing codes, which materially affect health and safety.
- P. Not to keep any pets inside or outside the Residence.
- Q. To keep the Residence and such other areas including rear yards and/or patios as may be assigned to the Resident for his/her exclusive use, in a clean, sanitary and safe condition, and to promptly notify Management whenever repairs to his/her Residence are required.
- R. To allow Management upon advance notification pursuant to Section 9 B (2) to enter the Residence in order to complete fumigation for the control of vermin and/or roaches, or to perform other services such as painting or rehabilitation work. Resident further agrees to have the Residence prepared on said date and time for such services and/or work.

- S. To dispose of all garbage, rubbish and other waste from the Residence in a sanitary and safe manner in the receptacles and trash bins provided by Management or owned by Resident.
- T. To use only in a reasonable and safe manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appurtenances including elevators.
- U. To refrain from and to assure household members and guests refrain from defacing, painting, damaging, destroying or removing any part of the Residence or Housing Development.
- V. To make no major repairs, alterations or additions, including but not limited to changing locks and installing security bars, doors or safety devices without the prior written consent of Management, which consent Management may withhold at its sole discretion and to make no repairs at the cost of Management as permitted by California Civil Code Section 1942 without first giving Management notice and a reasonable time to commence repairs as provided by California Civil Code Section 1942. Any repairs made by Resident will be in accordance with California Civil Code Section 1942.
- W. To pay reasonable charges (other than for ordinary wear and tear) for the repair of damages to the Residence, Housing Development, buildings, facilities or common areas which are caused by Resident, his/her household members and guests according to the Schedule of Other Charges referred to in Section 4A (if applicable).
- X. To maintain Resident-paid utilities (gas and/or electricity), if applicable, by paying promptly for such services to avoid shut-off and to refrain from tampering with utility meter devices.
- Y. Not to display on or about the Residence or Housing Development any advertisements for goods or services without the prior written approval of Management, which approval may be withheld at Management's sole discretion.
- Z. To refrain from parking vehicles which habitually leak oil or other hazardous substances in parking areas as this creates a safety hazard; to refrain from conducting major vehicle repairs in parking areas or other premises; and to refrain from leaving inoperable vehicles in the parking areas for greater than 48 hours.
- AA. To park only in areas designated for Resident's parking and to ensure that guests do not park in parking areas of other Residents of the Housing Development and to abide by parking regulations adopted by Management, which regulations shall be posted in the parking areas when feasible and in Management's office and are incorporated herein by reference. Management reserves the right to control the method, manner and time of parking spaces in and around the Housing Development; and to tow away at owner's expense, any vehicle parked in violation of the regulations.
- BB. To be able to abide by the terms of the Lease or be assisted in doing so with available resources, so as not to be a safety or health hazard to themselves, other Residents or Management.
- CC. To abide by the Management adopted Curfew Policy that is posted in the Management office and is part of the House Rules, Attachment #2.

_____ Resident's Initials

- DD. That upon receiving written notice of a banned individual from Management, Resident and/or household members shall not associate on Housing Development premises with an individual banned from the Housing Development.

_____ Resident's Initials

- EE. To refrain from and assure household members or guests refrain from obstructing any passageway, sidewalk, stair or hallway in the Housing Development

7. MANAGEMENT'S OBLIGATIONS

Management agrees:

- A. To maintain the Residence and the Housing Development in a decent, safe and sanitary condition.
- B. To comply with requirements of applicable building and housing codes and U.S. Department of Housing and Urban Development regulations materially affecting health and safety.
- C. To make necessary repairs to the Residence.
- D. To keep Housing Development buildings, facilities and common areas not reserved for the exclusive use of the Resident in a clean and safe condition.
- E. To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilation and other facilities and appliances, including elevators, supplied or required to be supplied by Management.
- F. To provide and maintain appropriate receptacles and facilities (except containers for the exclusive use of Resident and his/her household) for the deposit of garbage, rubbish and other waste which must be removed from the Residence by Resident as provided in Section 6.
- G. To supply running water, reasonable amounts of hot water and reasonable amounts of heat as required by seasonal weather conditions, except where the building that includes the Residence is not required by law to be equipped for such purpose, or where heat or hot water is generated by an installation which is in the exclusive control of Resident and is supplied by a direct utility connection.
- H. To publicly post in a conspicuous manner in the Management Office all rules and regulations and schedules incorporated by reference in this Lease, and to furnish copies thereof to Resident upon request, upon payment to Management of a reasonable charge for such copies.
- I. To notify the Resident of any proposed adverse action by Management. Such adverse action, includes, but is not limited to, a proposed lease termination, transfer of the resident and household members to another unit or imposition of charges for maintenance and repair.

8. HAZARDOUS DEFECTS

Resident agrees to take every precaution to prevent fires, to not store gasoline, solvent, paper, cardboard or other flammable or combustible materials or substances in the Residence, and to supervise his/her children to ensure they do not play with matches or lighters, and agrees to promptly notify Management of the existence of any of the foregoing conditions in the Residence and, upon Resident's knowledge thereof, in the surrounding Residences and common areas of the Housing Development. In the event the Residence is damaged such that conditions are created which are hazardous to the life, health or safety of the occupants of the Residence:

- A. Resident shall immediately notify Management of the damage.
- B. Management shall be responsible for repair of the Residence within a reasonable time, provided that if the damage was caused by Resident, a member (s) of his/her household or Resident's guest (s), the reasonable cost for repairs will be charged to Resident and Management may terminate the Lease.

9. INSPECTIONS

- A. Prior to the time that the Resident begins to live in the Residence, and prior to the time Resident vacates the Residence, a representative of Management and Resident (or

his/her representative) will inspect the Residence, unless Resident has vacated the Residence without notice to Management, in which case Management may perform an inspection without prior notice to Resident. WITH RESPECT TO THE PRE-OCCUPANCY INSPECTION: Resident will be given a written statement of the condition of the Residence and the appliance(s) and/or furniture provided with the Residence, which will be signed by Management and Resident. Management will keep a copy of the inspection report in the Resident's file folder. If Resident disputes the inspection statement and decides not to occupy the Residence, Management will refund all rent and deposits paid in advance to Resident. Resident has the right to request an amendment to the inspection statement within seven (7) days after taking possession of the Residence if defects are discovered which existed prior to occupancy and were not noted during the original inspection and which did not occur as a result of any fault of the Resident, a member of his/her household or guest.

WITH RESPECT TO THE PRE-TERMINATION INSPECTION: Resident will be given a statement of the condition of the Residence, the appliances, and/or furniture, and/or any other charges to be paid by Resident pursuant to Section 4.

B. Management is entitled to enter the Residence as follows:

- (1) At anytime without advance notification to Resident when there is reasonable cause to believe that an emergency exists;
- (2) Upon reasonable advance notification to Resident, during reasonable hours for the purpose of performing routine inspections and maintenance, or for making improvements, or repairs, or to show the premises for re-leasing. Without limiting the foregoing a written statement specifying the purpose of Management's entry, delivered to the Residence at least twenty-four (24) hours before such entry shall be considered reasonable advance notification;
- (3) In the event Resident and any adult (i.e. over age 18) member of his/her household are absent from the Residence at the time of entry, Management will leave at the Residence a written statement specifying the date, time and purpose of the entry prior to leaving the Residence; and
- (4) In the event Resident and all adults are absent from the Residence and if the only people at home are minors under the age 18, Management will not enter the Residence unless an emergency exists, and will re-schedule the inspection for another date.

10. NOTICES

- A. Any notice required or desired to be given by Management to Resident will be sufficient if:
- (1) Delivered in writing to Resident personally; or
 - (2) Delivered in writing personally to any member of the Resident's family of suitable age and discretion living in the Residence; or
 - (3) Sent by first-class mail, postage prepaid, properly addressed to the Resident at the Residence; or
 - (4) In the case of notice of any proposed changes in rules, regulations, procedure or schedules referred to in Section 13, Management may, as an alternative to any of the notices provided in (1), (2), or (3) above, post such notice in at least three (3) conspicuous places within the structure or building in which the Residence is located, as well as in a conspicuous place in the Management Office.
- B. Any notice to Management from Resident must be in writing, and must either be delivered or sent by first-class, postage pre-paid mail which is properly addressed to the SELECTED MANAGER at Address, City, CA 9XXXX.
- C. Notices given as provided above shall be deemed effective on the date personally delivered or posted or mailed.

11. TERMINATION OF LEASE/NONRENEWAL OF LEASE

- A. This lease may be terminated by Resident at any time by giving thirty (30) days written notice to Management in the manner specified in Section 10. Resident agrees to leave Residence in clean and good condition, reasonable wear and tear excepted, and to return the keys to Management when Resident vacates the Residence. If Resident fails to give proper notice, Resident will be responsible for payment of thirty (30) days rent from the date notice is given, or keys are returned, or the date the vacant unit is discovered by Management. If Resident transfers to another Management operated dwelling unit, unpaid rent balance and/or other charges under this Lease must be paid prior to effective date of new Lease. Exceptions may be made at the sole discretion of Management.
- B. This Lease shall terminate upon the death of the Resident.
- C. This Lease shall terminate upon the abandonment of the Residence by Resident.
- D. If Management desires to terminate the Lease because of Resident's material breach of this Lease, Management shall give Resident written notice of termination of the Lease, which notice will require that the Resident vacate the premises in the time shown as follows:
 - (1) Three (3) days in the case of failure to pay rent.
 - (2) Three (3) days if Resident, a member of his/her household or a guest engaged in any activity which creates or maintains a threat to the health or safety of other residents, Management's employees, or the public, in the Residence and/or the Housing Development. Violation of sections 6 (A), (B), (C) or (D) shall be deemed activity, which creates such a threat to the health or safety of other residents, Management's employees, or the public.
 - (3) Thirty (30) days in all other cases.
- E. Any notice of termination given to Resident shall comply with applicable State laws and local ordinances, shall state reasons for the termination, and except as provided in Section 11 (G) herein, shall inform Resident of his/her right to a hearing in accordance with the grievance procedure referred to in Section 12.
- F. As per Attachment #1, Low Income Housing Tax Credit Lease Addendum, Management may terminate this Lease prior to its expiration or refuse to renew this Lease only for good cause which includes, but not limited to (i) Resident's violation of any material term of the Lease, (ii) violation of Resident's obligations as described in Section 6 of this Lease, (iii) repeated violation of any terms, material or non- material, of this Lease.
- G. Resident shall not be entitled to use the grievance procedure in the case of termination of this Lease or eviction of Resident under the unlawful detainer laws of the State of California due to any criminal activity that threatens the health, safety or right to peaceful enjoyment of other Residents or Management's employees or for any drug-related criminal activity as defined in and set forth in Section 6 herein.

12. GRIEVANCE PROCEDURE

- A. Except as provided in Section 11 (G) herein, all grievances arising under this Lease shall be processed and attempted to be resolved pursuant to the grievance procedure which is in effect at the time of such grievance or appeal.
- B. Resident shall be provided a reasonable opportunity, prior to hearing or trial, to examine any relevant documents, records or regulations directly related to the adverse action.
- C. Management shall be provided a reasonable opportunity, prior to hearing or trial, to examine any relevant documents, records or regulations directly related to the adverse action.

13. CHANGES

Modification of this Lease shall be by written rider executed by both parties, except for changes in rent made pursuant to Section 5 or changes or amendments set forth below. Management may, from time to time, make changes or amendments in the Utility Allowance, Schedule of Other Charges, and any and all other rules, regulations, schedules or procedures (including grievance procedures) herein or affecting the Lease and any and all such changes and amendments (subject to compliance with the notice procedure specified below) shall become part of this Lease. Prior to any change or amendment becoming effective Management shall provide at least thirty (30) days written notice to Resident setting forth the proposed change or amendment, the reasons therefore, and providing Resident an opportunity to make written comments. This notice shall be served on Resident as set forth in Section 10A.

14. NO WAIVER

Notwithstanding any conduct or custom on the part of Management, the failure of Management to enforce any of Management's rights under this Lease shall not be construed as having created a custom in any way contrary to the specific terms of this Lease or as having in any way modified this Lease or as having constituted a Waiver of any of Management's rights or obligations under this Lease.

15. JOINT RESPONSIBILITY

Resident must be 18 years of age or older or a minor not under the care of a parent or guardian to sign this lease. Resident acknowledges that this lease is between the Manager and each person executing this lease jointly and individually. In the event of default by any one, each and every remaining person who executed the lease shall be responsible for payment of the total rent as stated in Section 2, and all other provisions of the lease.

IN WITNESS, WHEREOF, the parties have executed this Lease this _____ day of _____, 20

_____.

at _____

NEW ECONOMICS FOR WOMEN

By: _____

Its: _____

_____(Resident) _____(Date)

_____(Resident) _____(Date)

_____(Resident) _____(Date)

_____(Resident) _____(Date)

**EXHIBIT 3
ATTACHMENT #1
895 BONNIE BEACH**

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EXHIBIT 4 – JOB DESCRIPTIONS FOR RESIDENT MANAGER AND MAINTENANCE WORKER

RESIDENT MANAGER

ESSENTIAL JOB FUNCTIONS

Manages the affordable rental housing complex located at 895 North Bonnie Beach Place, Los Angeles, CA. (“Manager”). The Resident Manager must live on-site, work/keep office hours as assigned by Manager and must respond to after-hours emergencies. Monitors outside vendors. Performs general residential management duties including light maintenance such as changing light bulbs, clearing stoppages, picking up litter throughout the development and transporting trash weighing less than 25 pounds. Interacts with Residential Tenants, support staff and management. Collects and delivers rents to the management office. Performs clerical functions and keeps records. Shows rental units. Conducts periodic apartment inspections. Completes annual and interim recertifications of all residents and adjust rent portions accordingly. Enforces all applicable provisions under the lease agreement, reports lease violations and/or criminal activity and counsels residents regarding lease compliance. Performs other related duties as assigned.

DESIRABLE QUALIFICATIONS

Education equivalent to high school graduation (or have GED equivalency). Must demonstrate the potential for managing housing developments. Ability to write and speak in fluent English; perform simple math calculations; maintain records and files; operate a computer, typewriter, calculator, and other office equipment; and verify the accuracy of reports. Some positions require fluency in Spanish.

Experience in the management of rental units, basic property maintenance, interacting with persons from varied socio-economic backgrounds, and working with senior citizens is highly desirable. Basic computer skills are desirable. Must be patient, understanding, energetic, enthusiastic, reliable, hard working, possess good communication and customer service skills, and be able to work independently.

Candidates must possess a valid California’s Driver’s License, a reliable and insured vehicle, and an acceptable driving record. A check for criminal history will be required prior to appointment.

MAINTENANCE WORKER

ESSENTIAL JOB FUNCTIONS

Under supervision, performs a variety of skilled and semi-skilled work in building maintenance, preventive maintenance and repair for housing development sites. Performs building and preventive maintenance and repair of dwelling units and structures using skills in carpentry, plumbing, electrical, tiling, and cement. Designs or modifies dwelling or office accommodations. Operates, maintains and repairs power equipment. Performs other related duties as assigned. Regular attendance is an essential job function.

When performing these job functions, Maintenance Workers routinely lift up to fifty (50) pounds, constantly stoop and bend, work with hands and arms raised above the head, grasp materials and equipment with both hands, and climb ladders and stairs.

DESIRABLE QUALIFICATIONS

Education and training equivalent to high school graduation and two years of skilled experience in building maintenance, preventive maintenance and repair. Desirable experience includes knowledge of the methods, materials, equipment, and safety regulations used in various skilled building maintenance activities, including the use of hand and power tools. Ability to apply basic maintenance skills in repairing and maintaining buildings, related structural facilities and furnishings; understand and carry out oral and written directions; perform arduous physical activities; and to establish and maintain cooperative working relationships with others.

Possession of a valid California Driver's License, a satisfactory driving record, and a reliable insured vehicle are required. A check of criminal history will be required prior to appointment.

EXHIBIT 5 – AFFIRMATIVE MARKETING PLAN

Manager will be required to develop affirmative marketing plan and submit to Owner for approval prior to implementation. Manager should refer to HUD Form 935.2 for guidance on the items to be contained within the plan.

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4c. **Community Contacts.** To further inform the group(s) least likely to apply about the availability of the housing, the applicant agrees to establish and maintain contact with the groups/organizations listed below that are located in the housing market area. If more space is needed, attach an additional sheet. Notify HUD-Housing of any changes in this list. Attach a copy of correspondence to be mailed to these groups/organizations. (Provide all requested information.)

Name of Group/Organization	Group Identification	Approximate Date (mm/dd/yyyy)	Person Contacted or to be Contacted
Address & Phone Number	Method of Contact		Indicate the specific function the Group/Organization will undertake in implementing the marketing program

<p>5. Future Marketing Activities (Rental Units Only) Mark the box(s) that best describe marketing activities to fill vacancies as they occur after the project has been initially occupied.</p> <p> <input type="checkbox"/> Newspapers/Publications <input type="checkbox"/> Radio <input type="checkbox"/> TV <input type="checkbox"/> Brochures/Leaflets/Handouts <input type="checkbox"/> Site Signs <input type="checkbox"/> Community Contacts <input type="checkbox"/> Other(specify) </p>	<p>6. Experience and Staff Instructions (See instructions)</p> <p>6a. Staff has experience. Yes No</p> <p>6b. On separate sheets, indicate training to be provided to staff on Federal, State and local fair housing laws and regulations, as well as this AFHM Plan. Attach a copy of the instructions to staff regarding fair housing.</p>
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7. **Additional Considerations** Attach additional sheets as needed.

8. **Review and Update** By signing this form, the applicant agrees to review their AFHM Plan every 5 years and update as needed to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (24 CFR 200.620).

Signature of person submitting this Plan & Date of Submission (mm/dd/yyyy)

Name (type or print)

Title & Name of Company

For HUD-Office of Housing Use Only	For HUD-Office of Fair Housing and Equal Opportunity Use Only
Reviewing Official:	Approved _____ Disapproval _____ (Check One)
Signature & Date (mm/dd/yyyy)	Signature & Date (mm/dd/yyyy)
Name (type or print)	Name (type or print)
Title	Title

Previous editions are obsolete

Public reporting burden for this collection of information is estimated to average 3 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

The Affirmative Fair Housing Marketing (AFHM) Plan is needed to ensure that insured and subsidized developers are taking necessary steps to eliminate discriminatory practices involving Federally insured and subsidized housing. No application for any housing project or subdivision insured or subsidized under the Department of Housing and Urban Development's (HUD) housing programs can be funded without an approved AFHM Plan (See the "Applicability" section in the instructions below.) The responses are required to obtain or retain a benefit under the Fair Housing Act, Section 808(e)(5) & (6) and 24 CFR Part 200, Subpart M. The form contains no questions of a confidential nature.

Applicability: This form is to be completed by all insured or subsidized: (1) multifamily projects; and (2) single-family homebuilders that can not meet at least one of the following requirements: (a) is a signatory in good standing to a Voluntary Affirmative Marketing Agreement (VAMA); (b) has a HUD approved AFHM Plan; (c) has contracted with someone to market their houses who has an AFHM Plan or is a signatory to a VAMA; or (d) can self certify compliance with HUD's AFHM Regulations, maintain records of their AFHM activities and make the records available to HUD upon request. Single-family homebuilders that can meet at least one of the above requirements can complete block 11 on form HUD-92541-Builder's Certification of Plans, Specifications, & Site instead of completing the AFHM Plan. [See HUD Mortgage Letters 1995-18 dated April 28, 1995 and 2001-09 dated April 2, 2001]

Each applicant is required to carry out an affirmative program to attract prospective buyers or tenants of all minority and non-minority groups in the housing market area regardless of their race, color, religion, sex, national origin, disability, or familial status. Racial groups include White, Black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or Other Pacific Islander. Other groups in the housing market area who may be subject to housing discrimination include, but are not limited to, Hispanic or Latino, persons with disabilities, or families with children. The applicant shall describe in the AFHM Plan the proposed activities to be carried out during advance marketing, where applicable, and the initial sales and rent-up period. The affirmative marketing program also should ensure that any group(s) of persons ordinarily **not** likely to apply for this housing without special outreach (See Part 3), know about the housing, feel welcome to apply and have the opportunity to buy or rent.

INSTRUCTIONS

Send completed form to: your local HUD Office

Attention: Director, Office of Housing

Part 1-Applicant and Project Identification. Blocks 1a thru 1f-Self-Explanatory. Block 1g-the applicant should specify the approximate date for starting marketing activities to the groups targeted for special outreach and the anticipated date of initial occupancy (if unoccupied). Block 1h-the applicant should indicate the housing market area, in which the housing will be (is) located. Block 1i - the applicant may obtain census tract location information from local planning agencies, public libraries and other sources of census data. Block 1j the applicant should complete only if a Managing/Sales Agent (the agent can not be the applicant) is implementing the AFHM Plan.

Part 2-Type of Affirmative Marketing Plan:

Applicants for multifamily housing projects should check both the MFH (Multifamily Housing) Plan and indicate the status of the AFHM Plan, e.g. new or update. As appropriate, single-family homebuilders who submit an AFHM Plan, should check the SFH (Single-family Housing) Plan box.

All Plans should indicate the racial composition of the housing market area in which the housing will be (is) located by checking one of the three choices. Single-family scattered site builder should submit an SFH Plan that reflects the racial composition of each the housing market area in which the housing will be (is) located. For example, if a builder plans to construct units in both minority and non-minority housing market areas, a separate AFHM Plan shall be submitted for each housing market area.

Part 3-Direction of Marketing Activity. Indicate which group(s) the applicant believes are least likely to apply for this housing without special outreach. Consider factors such as price or rental of housing, sponsorship of housing, racial/ethnic characteristics of housing market area in which housing will be (is) located, disability or familial status of eligible population, public transportation routes, etc.

Previous editions are obsolete

ref. Handbook 8025.1

form HUD-935.2 (8/2004)

Part 4-Marketing Program. The applicant shall describe the marketing program to be used to attract all segments of the eligible population, especially those groups designated in Part 3 of this AFHM Plan as least likely to apply. The applicant shall state: the type of media to be used, the names of newspaper/call letters of radio or TV stations; the identity of the circulation or audience of the media identified in the AFHM Plan (e.g., White, Black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or Other Pacific Islander, Hispanic or Latino, persons with disabilities, and families with children) and the size or duration of newspaper advertising or length and frequency of broadcast advertising. Community contacts include individuals or organizations that are well known in the housing market area or the locality, that can influence persons within groups considered least likely to apply. Such contacts may include, but need not be limited to: neighborhood, minority and women's organizations, grass root faith-based or other community based organizations, labor unions, employers, public and private agencies, disability advocates, schools and individuals who are connected with these organizations and/or are well-known in the community. Applicants should notify their local HUD—Office of Housing of any changes to the list in Part 4c of this AFHM Plan.

Part 5-Future Marketing Activities. Self-Explanatory.

Part 6-Experience and Staff Instructions.

- 6a. The applicant should indicate whether the sales/rental staff have had previous experience in marketing housing to group(s) identified as least likely to apply for the housing.

- 6b. Describe the instructions and training provided or to be provided to sales/rental staff. This guidance to staff must include information regarding Federal, State and local fair housing laws and this AFHM Plan.

Copies of any written materials should be submitted with the AFHM Plan, if such materials are available.

Part 7-Additional Considerations. In this section describe other groups to which the housing may be marketed and efforts not previously mentioned which are planned to attract persons least likely to apply for the housing. Such efforts may include outreach activities to grass root faith-based or other community based organizations, and other ethnic groups with limited English proficiency (LEP).

Part 8-Review and Update. By signing, the applicant assumes full responsibility for the AFHM Plans implementation and required reviews and updates. HUD may monitor the implementation of this AFHM Plan at any time and request modification in its format or content, where deemed necessary.

Notice of Intent to Begin Marketing. No later than 90 days prior to the initiation of sales or rental marketing activities, the applicant of an approved AFHM Plan shall submit notice of intent to begin marketing. The notification is required by the Affirmative Fair Housing Marketing Plan Compliance Regulations (24 CFR Part 108.15). It is submitted either orally or in writing to the Office of Housing in the appropriate HUD Office servicing the locality in which the proposed housing will be located.

OMB approval of the Affirmative Fair Housing Plan includes approval of this notification procedure as part of the AFHM Plan. The burden hours for such notification are included in the total designated for this AFHM Plan form.

EXHIBIT 6 APPEAL AND GRIEVANCES

The Manager must handle all appeals and grievances in accordance with the property regulatory requirements. The Manager shall develop and submit for approval policies and procedures it will follow to address all resident appeals and grievances.

The Manager may reject an applicant if:

1. The applicant is ineligible for occupancy in a particular unit or property
2. Is unable to disclose and document Social Security Numbers of all household members who are at least 6 years old, or does not execute a certification stating that no Social Security Numbers have been assigned;
3. Does not sign and submit verification consent form or the Authorization for Release of Information (HUD Forms 9887 and 9887-A)
4. Has household characteristics that are not appropriate for the specific type of unit available at the time, or has a family of a size not appropriate for the unit sizes that are available;
5. Includes family members who did not declare citizenship or noncitizenship status, or sign a statement electing not to contend noncitizen status. However, the Manager should permit families to revise their application to exclude proposed family members who do not declare citizenship or eligible noncitizen status;
6. Does not meet the Manager's Residential Tenant screening criteria.

Manager shall notify all rejected applicants in writing. Rejection notices must include a specific reason for the rejection and the applicant's right to respond to the Manager in writing or request a meeting within 14 days to dispute the rejection.

Any meetings with the applicant to discuss the applicant's rejection must be conducted by a member of the Manager's staff who was not involved in the initial decision to deny admission or assistance. Within 5 business days of the Manager's response or meeting, the Manager must advise the applicant in writing of the final decision on eligibility.

EXHIBIT 7
895 Bonnie Beach Housing Development
HOUSE RULES AND REGULATIONS

The Owner's primary intent is to provide decent, safe, and sanitary housing to residents. The Owner has hired New Economics for Women, as Manager ("Manager").

A. GENERAL:

1. Description and Purpose: These House Rules are part of your lease and are enforceable under the terms of the lease. The exercise of common sense and consideration for others should be the only rule necessary to guarantee your personal comfort and enjoyment of the premises. However, in order for the Manager to help protect your rights and the property against the occasional offender, these House Rules exist and augment the terms and conditions of your lease. The House and Ground Rules will be equally enforced among all residents.

B. RESIDENT OBLIGATIONS

1. To refrain from, and to assure that household members and guests refrain from creating or maintaining a threat to the health and safety of other Residents, Management's employees, or the public, or engaging in illegal or offensive behavior, including but not limited to: (a) committing a crime that subjects you or any household member to a lifetime sex offender registration requirement imposed by any State sex offender registration program; (b) shooting guns; (c) threatening others with guns, knives or weapons; (d) verbal threats of criminal activity; or (e) lighting, exploding, storing or possessing firecrackers, explosives or flammable or combustible materials or fluids. Resident understands and acknowledges that committing any of the acts described in this subparagraph (A) is a material breach of this Lease and that Management may proceed with termination of the Lease for any such violation on three (3) day's notice.
2. To refrain from and to assure household members and guests refrain from engaging in drug-related criminal activity on or off the Housing Development premises. Resident expressly acknowledges and agrees that the illegal manufacture, sale, distribution or use of, or possession with the intent to manufacture, sell, distribute or use, a controlled substance is a drug-related criminal activity. Resident further expressly acknowledges and agrees being on or off the Housing Development premises and having a controlled substance in his/her system is in violation of this subparagraph (B). Resident understands and acknowledges that committing any of the above acts described in this subparagraph (B) is a material breach of this Lease, and that Management may proceed with termination of the Lease for any such violation on three (3) day's notice.
3. To refrain from and to assure household members and guests refrain from engaging in violent criminal activity on or off the Housing Development premises. Resident expressly acknowledges and agrees that the commission of such violent criminal activity creates a threat to the health and safety of other Residents, Management's employees, and the public. A violation of this subparagraph (C) is a material breach of this Lease, and Management may proceed with termination of the Lease for any such violation on three (3) day's notice.
4. To refrain from and to assure household members and guests refrain from abusing alcohol in a way that interferes with the right to peaceful enjoyment of the Housing Development by other Residents.
5. To refrain from and to assure household members and guests refrain from illegal or other activity which impairs the physical or social environment of the Housing Development. Illegal activity includes without limitation possession or storage of an illegal weapon.
6. Residents and their guests shall conduct themselves in a manner that shall not disturb his/her neighbors' peaceful enjoyment of their residences and the public areas, and shall be conducive to maintaining the housing development in a decent, safe and sanitary condition. Radio, television, stereos, musical instruments, etc., shall not be played in any manner that will disturb other residents, with particular emphasis between the hours of 10:00 pm and 8:00 am.
7. **All common areas are closed from dusk to dawn.**
8. **All common areas are to be used solely by the Resident and their guests.**
9. No personal property of any kind will be permitted to be left in any of the public areas. Resident shall not hang towels, laundry, clothing or anything else on balconies or windowsills or store boxes, trash or other items outside their apartment doors, patios, or balconies. Management shall not be responsible for any loss of personal property.

10. Resident shall not place or affix any objects of any kind to the windows or doors where they are visible from the exterior of the building, nor to the outside of apartment doors. Such objects include, but are not limited to: posters, signs, stickers, decals, or aluminum foil.
11. To abide by the adopted Curfew Policy, listed in Section H of these House Rules and that is posted in the Management office.
12. That upon receiving written notice of a banned individual from Management, Resident and/or household members shall not associate on Housing Development premises with an individual banned from the 895 Bonnie Beach Housing Development. A copy of the Owner's Banning Policy is attached.
13. Residents and their guests are prohibited from consuming alcoholic beverages in the common areas
14. Residents are prohibited from using utilities provided to common areas, unless approved by landlord.
15. Landlord hereby advises Resident that, although Landlord carries fire and extended coverage insurance on the premises for the benefit of the Landlord's interest in the property, **THE RESIDENT'S PERSONAL PROPERTY IS NOT INSURED BY THE LANDLORD.** However, Resident may obtain his or her own Insurance Policy to insure his or her own personal property.
16. The California Department of Justice, sheriff's departments, police departments serving jurisdictions of 200,000 or more and many other local law enforcement authorities maintain for public access a data base of the locations of persons required to register pursuant to paragraph (1) of subdivision (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and is a source of information about the presence of these individuals in any neighborhood. The Department of Justice maintains a Sex Offender Identification Line through which inquiries about individuals may be made. This is a "900" telephone service. Callers must have specific information about individuals they are checking. Information regarding neighborhoods is not available through the "900" telephone service. Also, you may inquire about registrants on the internet.
17. Waterbeds, fish tanks and or any furnishings containing liquids or semi-liquids are prohibited.
18. The use of jumpers or swimming pools on the premises is prohibited.
19. Indecent exposure or lewd acts on the premises are prohibited.

C. UNIT MAINTENANCE

1. Resident shall report any maintenance problems, especially when a delay in reporting maintenance problem might result in further damage. Resident shall notify the Maintenance Department at (323) XXX-XXXX or in writing at the Property Management Office located at XXXXX. Any damages made to residence, housing development, buildings, facilities or common areas which are caused by resident will be billed to resident.
2. **Residents must replace light bulbs within the apartment.**
3. **Per California Civil Code 1954, the Manager has the right to enter an occupied unit to make repairs or other agreed to services without a 24-hour written notice when the resident makes the request for repairs or service.**
4. **The Manager has the right to enter an apartment without prior notice in case of an emergency.**
5. Resident shall make no major repairs, alterations or additions, including but not limited to changing locks and installing security bars, doors or safety devices without the prior written consent of Management, which consent Management may withhold at its sole discretion and to make no repairs at the cost of Management as permitted by California Civil Code 1942 without first giving Management notice and reasonable time to commence repairs as provided by California Civil Code Section 1942. Any repairs made by resident shall be in accordance with California Civil Code 1942.
6. Residents are prohibited from disconnecting smoke detectors at any time. Residents must check smoke detectors in the unit on a weekly basis to ensure they are in operable condition. To do so, press and hold the tester button for about five (5) seconds until the alarm sounds. If you do not hear the alarm sound, please inform the Maintenance Department immediately by calling (323) XXX-XXXX. Resident will be charged for any resident caused damages to smoke detector, including their disconnection.
7. All blinds, drapes and window shades must be white, beige or neutral in color, unless approved in writing by Management. Foil or window tint may not be used as a window covering. Removal of window screens is prohibited. The use of sheets or blankets as window coverings is prohibited.
8. Resident must maintain Resident-paid utilities by paying promptly for such services to avoid shut-off and to refrain from tampering with utility meter devices.

D. CLEANLINESS AND TRASH

1. Residents are responsible for keeping their units, patios, and adjacent common areas in a clean and neat condition by removing all trash on a regular basis. Disposal of food items must be done in sealed, waterproof bags and placed in the trash bins.
2. Large items such as sofas, mattresses, refrigerators, televisions, etc., shall be disposed of properly. Large items shall not be dumped into the small trash bins. It is the responsibility of the Resident to arrange for such items to be removed from the premises. Residents may call a disposal contractor to arrange with them to dispose of such items. No such items are to be left in common areas or areas of public view.
3. Paper, cans, cigarette butts, or other debris shall not be discarded on the premises. Residents shall properly dispose of all such items in the trashcans provided. Toys and other personal items shall not be left in the common areas.
4. Residents shall keep all furniture inside unit. Clothing, curtains, rugs or laundry shall not be shaken or hung on fences. Unsightly items shall not be stored in common areas.
5. All reasonable rules of sanitation will be enforced. Urination or defecation in any of the common areas is not allowed.
6. Shopping carts shall not be left in common areas or on public property adjacent to the premises.
7. Residents shall not feed stray animals or birds on premises.
8. Residents shall keep kitchen range hoods free of grease.

E. SAFETY:

1. Kitchen ranges, ovens and heating units must be turned off whenever the unit is left unoccupied.
2. When leaving for more than 30 days the resident must provide written notice to the Manager.
3. The use or storage of gasoline, cleaning solvents, or other flammable materials in the unit or anywhere on the premises is prohibited at all times. This rule does not include customary household products in reasonable amounts.
4. Furniture or other items that may block egress may not be placed in front of doors or windows.

F. PEST CONTROL: It is in the interest of all Residents to maintain all units in a clean and sanitary manner. It is extremely important that Residents immediately report to the Landlord the presence of any insect infestation in their units. Effective pest control may require treating an entire building at one time. The Pest Control Procedures are as follows:

1. Scheduling Service and Notice: The Landlord shall schedule all pest control service, shall provide Residents with reasonable advance notice of the date and time of such service, and shall instruct Residents in the proper preparation of units for treatment.
2. Access to Unit for Treatment: Residents shall allow Landlord and Pest Control Contractor to enter the unit for purposes of pest control treatment.
3. Charges to Resident for Failure to Cooperate: It is extremely important that all residents cooperate fully with the Pest Control Service Person. The Manager normally pays the cost of such Pest Control Service. However, because the Pest Control Contractor will charge the landlord, whether the unit is treated or not, the failure of the Resident to grant access to the unit or to prepare the unit for treatment, will result in the Resident being charged for the cost of rescheduling the treatment of the Resident's unit. The Landlord will advise the Resident of the cost and the Resident must pay this charge within thirty (30) days of receipt of a statement of charges. Failure to pay this cost and to make the unit available for treatment within ten (10) days following the originally scheduled date for treatment will be considered a material breach of your lease.

G. CURFEW REGULATION

1. NO MINOR UNDER THE AGE OF 18 YEARS SHALL LOITER, IDLE, WANDER, STROLL PLAY, OR AIMLESSLY DRIVE OR RIDE ABOUT IN OR UPON ANY COMMON AREA OF THE 895 BONNIE BEACH HOUSING DEVELOPMENT, INCLUDING BUT NOT LIMITED TO A ROAD, CURB AREA, SIDEWALK, PARKING LOT, ALLEY, PARK GROUNDS, PLAYGROUND, BASKETBALL COURT, OR OTHER COMMON AREA GROUNDS, PLACE OR BUILDING, VACANT LOT OR UNSUPERVISED PLACE BETWEEN THE HOURS OF 10:00 P.M. ON ANY DAY AND 6:00 A.M. OF THE FOLLOWING DAY, PROVIDED HOWEVER, THAT THE PROVISIONS OF THIS SECTION SHALL NOT APPLY:

- A. When the minor is accompanied by his or her parent or parents, legal guardian or other person having the legal care or custody of the minor, or by his or her spouse 18 years of age or older; or
 - B. When the minor is upon an errand or other legitimate business or activity directed by his or her parent or legal guardian or other adult person having the legal care or custody of the minor, or by his or her spouse 18 year of age or older; or
 - C. When the minor is going directly to or returning directly home from a public meeting, a place of public entertainment such as a movie, play, sporting event, dance, school activity, or the minor's place of employment; or
 - D. When the minor is actively participating in a sporting or community event, if the Manager's rules or regulations permit the sporting or community event during said hours; or
 - E. When the presence of such minor in said place or places is connected with or required with respect to a business, trade, profession, or occupation in which said minor is lawfully engaged.
2. A PARENT, GUARDIAN OR OTHER PERSON HAVING THE LEGAL CARE, CUSTODY OR CONTROL OF ANY MINOR UNDER THE AGE OF THE 18 YEARS SHALL NOT KNOWINGLY AID, ABET, OR ENCOURAGE SUCH MINORS TO VIOLATE ANY CURFEW REGULATION.
 3. RESIDENT UNDERSTANDS AND AGREES THAT A VIOLATION OF THIS REGULATION BY RESIDENT OF HIS/HER HOUSEHOLD MEMBERS OR GUESTS IS A BREACH OF THE RESIDENTS LEASE AGREEMENT.

The Curfew Regulation, as set forth herein, was adopted by the Los Angeles County Board of Supervisors on June 27, 1995. The following are the policies and procedures governing the implementation, administration and enforcement of the curfew regulation.

POLICIES & PROCEDURES

Section I: DUTIES & RESPONSIBILITIES

- A. At the discretion of the Director of Property Management, the assigned Property Supervisor shall have the primary responsibility along with law enforcement and private security staff for implementation administration and enforcement of the Curfew Regulation as pertains to their respective assigned housing developments and scattered sites.
- B. Security personnel and law enforcement personnel contracted to provide security services at the various housing developments shall participate in the enforcement of the Curfew Regulation. Such enforcement may include properly notifying the respective Property Supervisors of such curfew violations.
- C. Resident Managers shall, upon approval by the Director of Property Management and at the discretion of the Property Supervisor, be responsible for identifying curfew violators, documenting observed curfew violations, and notifying the appropriate Property Supervisor of such curfew violations.

Section II: BREACH OF THE LEASE

1. Breach of the lease: One Violation of the Curfew Regulation by any household member of a unit shall constitute a minor breach of the lease agreement; Three or more violations of the Curfew Regulation within a twelve (12) month period of time by any household member (in any combination) shall constitute a material breach of the lease agreement, and shall be sufficient grounds for termination of the lease agreement.

Section III: NOTICE & RECOMMENDATIONS

- A. NOTICE: The head of household shall receive a copy of the citation for violation of the Curfew Regulation and written notification from Property Management staff of each violation of the Curfew Regulation occurring within a twelve (12) month period as follows:
 1. FIRST VIOLATION: Written notice shall be served to the head of household, by Property Management staff, law enforcement, or private security staff advising of curfew

violation and that head of household is responsible for the minor's conduct. The notice shall constitute a **WARNING** to the head of household that subsequent violations may result in termination of the Lease Agreement.

2. **SECOND VIOLATION:** Written notice of a second curfew violation shall be served to the head of household and shall provide an opportunity for counseling for the head of household and minor(s). The Property Supervisor should schedule the appointment for said counseling within ten (10) days of the second violation notice.

3. **THIRD VIOLATION:** written notice of third curfew violation shall be served to the head of household and the appropriate remedy shall be enforced as set forth below.

REMEDIES:

A. **REVIEW OF RESIDENT FILE:** When a household member or members have been cited three times within a twelve (12) month period for violating the curfew Regulation, the Property Supervisor shall conduct a review of the resident's historical file to determine the overall resident record. Based on such review, one of the following actions shall be taken:

1. **RECOMMENDATION FOR REFERRAL:** The Property Supervisor shall offer a referral to counseling, if available, to a family in lieu of an eviction notice. Such an option is available only if within the last twelve (12) months preceding the third curfew violation the resident or household members have not received three (3) or more of the following:

- i. 3 Day notice
- ii. Notice to comply
- iii. Notice to Pay Maintenance Charges
- iv. Counseling of disturbing Neighbors
- v. Counseling for any lease violation (s)
- vi. 30- Day Notice to Cure or Quit.

2. **THIRTY DAY NOTICE TO QUIT:** If head of household and/or minor (s) should fail to complete referred sessions, or have received three (3) or more of the aforementioned notices, the property Supervisor shall serve a Thirty Day Notice to quit based on the curfew violation and other violations.

Section IV: ENFORCEMENT:

1. **SECURITY PERSONNEL/LAW ENFORCEMENT:** Security personnel and law enforcement personnel contracted to provide security services at the various housing developments shall participate in the enforcement of the Curfew regulation. Such enforcement shall include:

1. **VIOLATION RECOGNITION:** Should security/Law enforcement officers observe a minor or minors in or about any common area of the 895 Bonnie Beach housing developments between the hours of 10:00 p.m. and 6:00 a.m., said officers shall have the authority to inquire of the minor(s) as to their identity, whether they are residents of the housing development, and their reason(s) for being out during curfew hours. The purpose of the inquiry is to determine whether the minor(s) are in violation of the Curfew Regulation or whether any of the exception to the Curfew Regulation applies.

2. **CITING VIOLATIONS:** Upon determining that a minor is in violation of the Curfew Regulation, the security/law enforcement officer may so inform the minor(s) of the violation. The officer may then issue a written citation. One copy of the citation shall be filed with the property supervisor for the development, and the security/law enforcement officer shall maintain a copy.

H. PARKING AND VEHICLE MAINTENANCE

- 1. Residents must provide a current vehicle registration form showing that they are the owner of the vehicle and that the vehicle is registered to their unit at 895 Bonnie Beach in order for Management to issue a parking sticker. Additionally, residents will have to provide a valid driver's license and the vehicle must be in operable condition.
- 2. Only residents whose vehicles display a current parking sticker are allowed to park in the resident parking lots.

3. Visitors may not park in the resident parking lot.
4. Vehicles without permanent parking stickers or temporary parking permits will be towed at the owner's expense.
5. Blocking driveways and/or any emergency area, and parking in spaces designated for law enforcement is prohibited.
6. ABSOLUTELY NO mechanical work on cars is allowed in the resident parking lot or car ports. Anyone performing mechanical work on cars will be cited.
7. Washing cars in the resident parking lot or carports is not allowed.
8. Non-operating vehicles will be towed away from the site immediately.
9. All vehicles parked in the resident parking lot and carports must be currently registered with the California Department of Motor Vehicles. If your vehicle is not properly registered, and you park in the resident parking lot or carports, it will be towed away at your expense.
10. Parking Permit Return- If the vehicle for which the permit is issued is sold, traded, given away or otherwise disposed of, the permit must be returned to the administration office and management must be provided with legal documentation of the transaction within 10 days of the disposal of the vehicle.
11. Lost or stolen permits are to be reported to the management office IMMEDIATELY. Stolen permits require a completed police report before another permit may be issued. Residents who have lost their permits or sticker will be charged a \$10.00 replacement fee for the first occurrence, a \$20.00 fee for the second occurrence and a \$40.00 fee for the third occurrence.
12. Vehicles with expired registrations will be towed by law enforcement.
13. Residents must ensure they set their vehicles parking brake for safety purposes.
14. Residents will be charged \$35.00 to replace each vehicle gate operator remote control.
15. Resident must refrain from parking vehicles which habitually leak oil or other hazardous substances in 895 Bonnie Beach Apartments parking areas as this creates a safety hazard
16. Loud playing of audio systems in parking area is prohibited.

I. LAUNDRY FACILITIES

1. Laundry facilities are for use by residents only.
2. Laundry facilities may not be used for any other purpose other than the laundering of articles.
3. Children under the age of 14 years are not allowed in the laundry facilities, unless they are accompanied and supervised by an adult
4. Residents must remove all articles from the washers and dryers promptly
5. The Manager, nor its contractors shall be held responsible for lost, damaged or stolen items from the laundry facilities.
6. Residents shall not deface the laundry facilities in any way.
7. Residents shall not damage the washers or dryers
8. Dryer lint filters must be cleaned after each cycle
9. Residents shall keep laundry facilities clean and free of debris at all times.

J. MAIL DELIVERY

1. No person shall harass, obstruct or hinder the peaceful delivery of mail
2. Children are not allowed in the mailbox area, unless accompanied and supervised by an adult
3. Loitering in mailbox area is prohibited
4. Residents shall not take mail that does not belong to them.

I/we have read and understand the resident obligations contained in the 895 Bonnie Beach Housing Development House Rules and agree to abide by the House Rules. I/we also understand that if I/we fail to comply with the obligations listed in the House Rules or breach the terms of the Lease Agreement, I/we may be **evicted**. Furthermore, I understand that failure to comply with the above terms of the lease may result in **non-renewal** of my/our lease.

MANAGEMENT:

_____	_____
WITNESSED BY	DATE
_____	_____
PRINT NAME	TITLE

RESIDENT(S):

RESIDENT NAME (PRINT)

RESIDENT SIGNATURE- HEAD OF HOUSEHOLD

DATE

ADDITIONAL ADULT RESIDENT SIGNATURE

DATE

OWNER'S BANNING POLICY

The Owner has a banning policy that is intended to regulate and control the conduct of non-residents that violate the law and thereby disturb the quiet use and enjoyment of the premises by residents. The policy is as follows:

1. A non-resident, including, but not limited to, a guest or visitor of a resident, may be banned for twelve (12) consecutive months if they commit one or more of the following acts in or upon any area of the housing development within a twelve (12) month period:
 - a. A **felony, misdemeanor** or infraction involving the sale, possession or use of a controlled substance;
 - b. A **felony, misdemeanor** or infraction involving the commission of a violent criminal activity; and/or
 - c. A **felony** under state or federal law in or upon any area of the housing development.
2. The non-resident may be also banned if they commit **two** or more of the following acts in or upon any area of the housing development within a twelve (12) month period:
 - a. Any misdemeanor or infraction that disturbs the peaceful enjoyment of the development, including, without limitation, illegal drug activity or violent criminal activity;
 - b. Destruction of either public or private property on the premises;
 - c. After warning, continuing to interfere with the job responsibilities of an employee or vendor; and/or
 - d. After warning, continuing to disturb other residents' peaceful enjoyment of the complex.
3. The housing development includes, but is not limited to: a private road or curb area, sidewalk, parking lot, alley, park grounds, playground, basketball court, hallway, stairway, laundry or recreational room, community center, or other common area grounds, place, building or vacant lot on housing development property.
4. If a non-resident violates paragraph 1 above, he or she can be served with a banning notice excluding the non-resident from the housing development for a period of twelve (12) consecutive months. At the time the non-resident is served, he or she will be requested to sign a form acknowledging receipt of the banning notice. A proof of service form indicating service of the banning notice on the non-resident shall be completed. A form documenting the incidents leading to the service of the banning notice shall also be completed.
5. A resident known to associate with the banned non-resident shall receive notice of the person banned from the housing development in the form of a letter from the Manager. The letter will also state that pursuant to the resident's Lease Agreement, the resident, or member of the resident's household, shall not allow the person who has been excluded to be a guest of the resident in the housing development.
6. If a banned non-resident comes on the housing development, he or she may be cited for trespass.
7. If the banned non-resident comes on the housing development with a resident who has received notice of the person's banned status, the resident will receive a lease violation. If the resident has not received notice, the resident will be provided notice and warned about future activities with the banned non-resident.

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